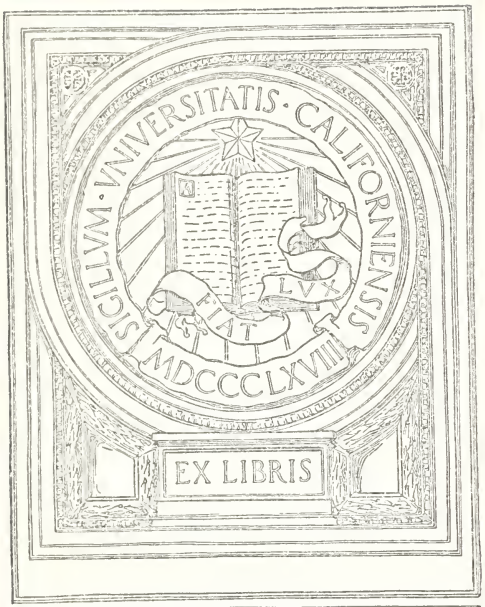
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Railway Regulation

State and Interstate

— By —

ROBERT M. LA FOLLETTE

RAILWAY REGULATION . . Robert M. La Follette
LA FOLLETTE OF WISCONSIN . . Emerson Hough
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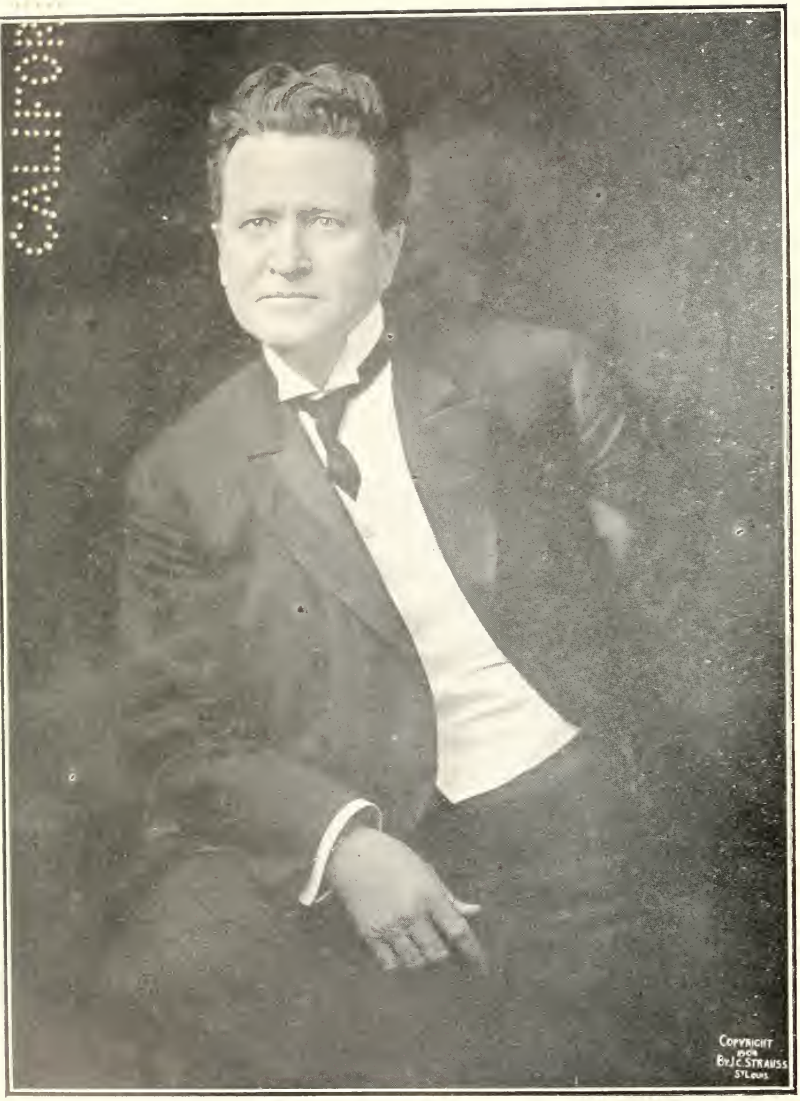

ROBERT M. LAFOLLETTE

RAILWAY REGULATION

By ROBERT M. LA FOLLETTE.

STATE CONTROL OF RAILWAY SERVICES AND RATES.

To meet and wisely discharge the responsibility of regulating commerce, state and interstate, to bring railways back and hold them to their legitimate business as common carriers, is the most important work in the government of this republic for this generation of man.

If the great railway corporations of the country are using their unlimited power without abusing it, if they are transporting the commerce of the country at reasonable rates, with fairness to the general public, with a just regard to the rights of individuals, and without favoritism to places and persons, then they might justly regard government control and regulation as "unnecessary and meddlesome interference."

If, however, the public is suffering serious wrong, if there are far-reaching abuses in the transportation of its commerce, if the railway companies are not only carrying the commerce of the country but controlling the commerce of the country, determining where it shall be massed, where the markets shall be located, and their control; if they are discriminating in favor of the large shipper, creating and fostering industrial and commercial monopoly, then there rests upon the several state legislatures and upon congress an obligation to act, and to act at once, with all the determination and patriotism commensurate with the duty to preserve government itself.

Capital and labor, wherever employed in the creation of wealth,—whether in mining, or in manufacturing, or in agriculture,—in short, material production, in every field of human activity, is absolutely dependent upon transportation.

It is not more vital to production, upon a basis attaining to the upbuilding of any community or section of the country, that lines of transportation should be established than that, when established, the sevice, shall be adequate, just in rate,

and free from discrimination. That business, town or section which is denied the opportunity to move its products to markets at fair rates and upon an even footing with a competing business, town or section, must inevitably suffer great loss, and, in the end, be forced out of the unequal contest. Therefore, the general growth and prosperity of every community, the interests of producer and consumer alike, depend upon these three factors in transportation: the service must be adequate; it must be reasonable in cost; it must be impartially rendered with respect to each individual and every business, town or section.

The founders of this republic recognized the importance of establishing lines of transportation and of insuring a basis of equality for each community in its exchange of products with every other. They ordained that commerce between the states should be free and untrammeled. The state, as well as the nation, aided in the construction of roads and canals, and since 1800 the federal government has supported by taxation a system of river and harbor improvements upon which there has been expended more than one hundred and seventy-five millions of dollars in the last seven years alone. Added to this, nearly one-half of the states invested large sums of money in the construction of railroads, and town and county aid in the several states throughout the country, aggregating many hundred millions of dollars, was contributed for like purposes, while state and national governments granted out of the public lands enough, in aid of railroad construction, to equal in area the states of Ohio, Indiana, Illinois, Missouri, Iowa and Wisconsin. All that has been invested by towns, counties and states in roads and turnpikes, all that has been expended in building locks and dams and canals and in broadening and deepening rivers and harbors by the federal government for more than a century, together with the vast sums of money donated by municipalities and states, and the lands granted by state and national governments for the construction of railroads, which are now a part of the great systems of the country,—has been paid out of the public purse and carved out of the public domain. Every dollar of the money and every acre of the land was the property of the people, and, independent of all else, each citizen, however humble, ought of right to stand upon an equal footing

with every other citizen respecting transportation. Furthermore, the state creates the railway corporation and bestows upon it special powers and special privileges without which it could not establish and maintain its lines or build up its business.

The state invested the transportation company with one of the greatest powers which the state possesses,—the right to take private property without the consent of the owner. This grant of power is made, not as a matter of favor to the corporation, but the better to enable it to discharge its duties to the public. It can be justified upon no other ground. As stated by the United States supreme court:

"The state would have no power to grant the right of appropriation unless the use to which the land was to be put was a public one. Taking land for railroad purposes is a taking for a public purpose, and the fact that it is taken for a public purpose is the sole justification for taking it at all."

The grant of these powers and privileges to the railroad and corporation in itself establishes the character of the transportation business, and identifies it as a function of government. It would be obnoxious to every just principle upon which government is founded to charter railway companies, give them the right of eminent domain, authorize the bonding of towns and counties, and grant to them large areas of the public lands, if they were to be permitted to conduct a business so established upon any other basis than that of absolute and exact justice to each individual and to every interest. The only principle upon which government can grant such powers and privileges, and bestow public aid upon railroad corporations, is that they are maintaining public highways over which they must serve the public efficiently, reasonably and impartially. To require full and exact performance of this public duty from the railway corporations is not only the absolute right, but it is the bounden duty of both state and national governments.

Under our form of government, federal and state, a division of powers and responsibilities with respect to transportation and the protection of the commerce of the people, was fixed by constitutional limitation. Commerce is either state commerce or interstate commerce. A shipment originating and ending within a state is state commerce, or state transportation. With

respect to such a shipment the national government can exercise no authority or control whatever. Commerce of this character is purely a subject of domestic concern for the state. If the shipper is to be protected in his right to an efficient service at a reasonable rate, without discrimination in any respect, it must be by state government alone.

On the other hand, a shipment originating in one state and ending in another state is, throughout its whole course, interstate commerce. This is true with respect to the shipment from the time it begins to move from the point of origin until it reaches its destination. With respect to such a shipment the state has no authority and can afford the shipper no relief from any injustice suffered because of the failure of the railway company to discharge properly its public duty. Such redress must come from the federal government, to which the state has delegated its right to "regulate commerce . . . among the several states."

For more than a generation of time it has been the settled law of this country that the state, through its legislature, may control railway services and railway rates as to state commerce, and that the national government, through congress, may control railway services and railway rates with respect to interstate commerce.

In recognition of this right, several of the states have established such commissions for the control of railway services and rates within the state. With a view of protecting the public in all its transportation extending beyond the borders of the state, congress enacted the Interstate Commerce Law in 1887.

Any review or consideration of government regulation of railway transportation must deal with state and federal regulation, in a measure, independently. The states were years in advance of the nation in moving for a control of railway services and railway rates. As Wisconsin, Illinois, Iowa and Minnesota led in broadly asserting the right of the state legislature to control transportation rates and services, a consideration of the results attained in these states is important and necessary to an intelligent understanding of the whole subject.

In the early '70's these states enacted legislation for the regulation of railroad transportation. The legislation was then

designated, and will for all time be known as "Granger Legislation." The granger statutes were at that time and have ever since been violently denounced as radical, revolutionary, and a hindrance to the development and prosperity of the country. And yet the granger legislation in those four states of the Old Northwest was simply a protest of a conservative and law-abiding people in the name of the law, against a railroad management which violated the rights of individuals without pretense of excuse or justification. Mr. A. B. Stickney, president of the Chicago Great Western Railroad, in his work on "The Railway Problem" thus presents some of the causes leading up to the granger legislation:

"It will not be difficult when the conditions existing at the beginning of granger agitation come to be examined, to see that railway traffic was then being conducted in such a manner as to destroy a portion of the value of the property of large numbers of individuals, and the whole value of the property of certain other classes. Startling as the bald statement must naturally be, those conditions were then admitted to exist, and continue now, to a more limited extent. . . . As soon as they came to realize by sad experience the enormous power which discrimination in the matter of rates conferred upon the managers of railways (who, after all, are but human) in respect to the private business of individuals, it could not be expected that a free people would tamely submit to it. . . . This unrestricted power to discriminate in the matter of rates lodged in the hands of one man, the manager of say five thousand miles of railway; the power through malice, ignorance, or stupidity, to decree which out of say a thousand cities and villages located on his lines should prosper and which should not; which individual out of say ten thousand merchants doing business in those cities and villages should make a profit or a loss. . . . Such enormous power over the fortunes of so many should never be lodged in the hands of any one human being."

Speaking further on this subject, and of the attitude of railroad presidents and managers, in opposition to control, President Stickney says:

"The companies at first denied that they were common carreirs or subject to the duties or restrictions imposed upon such carriers by the common law. Upon these premises, and as they supposed in the interests of their companies, the managers claimed the right to charge such rates for transporting private persons and property as they deemed for the best interests of their respective companies, regardless of their reasonableness or equality.

"They claimed and exercised the right to grant monopolies in business to favored individuals and firms—for example, one man or firm would be granted the exclusive privilege of buying all the wheat or corn, or selling all the fuel, wood and coal; by exercise of their power to discriminate in regard to rates and combinations, they were enabled to enforce these grants of exclusive privileges with a certainty never before pertaining to such grants.

"They assumed the right to dictate to communities in what market town they would sell their produce and buy their supplies. Thus, a community located forty miles distant from St. Paul and four hundred miles distant from Chicago was compelled to trade in Chicago, so as to give the railway the long haul, and in order to force this dictation they did not hesitate to make the rate for forty miles as much as, or more than for four hundred miles.

"They believed they had the right so to make their schedule of rates as to determine which of the villages on their line should become centers of trade beyond their local territory.

"They also varied their schedules in such a way that they discriminated in regard to rates between individual merchants, manufacturers, miners, and other business men, so as practically to determine which should become prosperous and wealthy and which should not.

"This class of discrimination was all the more pernicious because done in secret."

The granger statutes were far from perfect, especially in respect to provisions for their enforcement. But they were essentially correct in principle and reasonable in their terms, so far as the railroads were concerned, and in so far as they sought to regulate services and rates between the public and the public service corporations. They were in no sense "an unwarranted and irrational interference with the laws of trade and economic conditions." They simply applied a principle as old as the common law. They were enacted with the purpose of enforcing just and equitable rates to individuals and communities. They expressed in legislation an effort to escape from that arbitrary and tyrannical control on the part of common carriers so frankly described by President Stickney in the foregoing quotation.

This was the first great struggle between the railroads and the public to determine which should be master. It was a battle royal, and established as the law of this country the right

of the people through legislation to regulate transportation charges upon the railroads of the land.

The ability with which the railroads conducted their opposition to the granger legislation is interesting and instructive at this time. It was an indication of their sincerity and a measure of the value of their representations with respect to the disaster to the railway business and the industrial interests of the country, which they assert is certain to follow the legislation now proposed in some of the states for state regulation, and in congress for an enlargement of the powers of the Interstate Commerce Commission, as demanded by the people, and suggested by the president in his recent message to congress.

Upon the enactment of the granger laws, harrowing accounts of "Railroad Costruction at a Standstill," of the "Collapse of Railroad Business," the "Spoilation and Ruin of Railway Property" and the "Checking of All Development in the Granger States" were published and re-published as the dire and awful consequences following as a logical result of that legislation.

Already the railway lobby assembled at Washington and in the different states is, at the present time, uttering the same warning cry of distress, through such papers and periodicals as reflect the will of railway managers. This is designed to admonish all men and all interests of the train of evils sure to result, should the railroads be disturbed at this time in their authority to dictate to the people the terms on which its business shall be transacted with them.

From the enactment of the law in Wisconsin until its repeal, two years later, when the railroads regained control of the legislature, and long after, the highest talent which money could command was employed in assailing the Wisconsin law, and the laws passed in Illinois, Iowa and Minnesota, as well, and in misrepresentnig the effect of the legislation upon railway and all other business within the state. Reports as to the financial condition of the roads were suppressed or destroyed, and the corporations caused to be published broadcast that not only had their business fallen off, but that they had been obliged to suspend all construction and improvements, and that even maintenance of existing lines was threatened, while the

railroad business, and all other business dependent upon it, was prostrate and languishing in consequence of the legislation which "violated all the laws of trade."

Even economic writers of eminence and fairness of purpose, accepting the railroad figures then put forth and the railroad conditions then reported by the companies, were misled into partisan and violent denunciation of granger legislation. In all of the criticism and attack made at the time, and since, it seems almost incredible that no independent investigation should have been made by any of the writers dealing with this subject. This is especially true of those whose criticisms should have been based upon thoroughgoing and critical study, in conformity with the character of the work then and afterwards turned out by them as authors and writers upon economic subjects. Strangely enough, it is manifest that their argument was based upon false premises furnished, and misleading statements published by the interested railroad authorities. In so far as my research extends, I have been unable to find that any one of them ever made an independent, critical analysis of the facts involved.

Notwithstanding all that has been written and the authorities which may be quoted to the contrary, I venture here to declare that, in so far as the granger laws were enforced in either of the four states, they were helpful and not harmful to the interests of the state and of its citizens and of the railway companies as well.

In answer to the claim that "railway construction at once came to a standstill and all work on projected lines at once ceased," I submit the following comparison of the railroad mileage in Wisconsin, Illinois, Iowa and Minnesota,—the granger states,—with Michigan, Indiana, Missouri and Nebraska, four states which had reached about the same stage of development as the granger states, which were similarly situated as to population and general industrial conditions, and which lay wholly outside the field of, and were not affected by, the so-called granger legislation. These states are selected for comparison and consideration only after reaching the conclusion that the conditions prevailing in each at the time were such as to render the comparison just and fair. In order, how-

ever, to broaden and verify the comparison, I have included as another group the Middle Atlantic states, namely: New York, New Jersey, Pennsylvania, Delaware, Maryland and West Virginia; also the Southern states, Kentucky, North Carolina, Tennessee, South Carolina, Georgia, Florida, Alabama and Mississippi; and finally broadened that comparison to include railroad mileage of all the states of the Union for the years 1871, 1872, 1875 and 1880. The figures were obtained from the various state reports and from *Poor's Manual.*

Number of Miles of Railroad.

Years	Wisconsin	Wisconsin Illinois Iowa Minnesota	Michigan Indiana Missouri Nebraska	Middle Atlantic States	Southern States	United States
1871	1,725	12,401	9,168	12,030	12,013	60,293
1873	2,360	14,627	10,932	13,643	12,977	70,278
1875	2,566	15,515	11,381	14,455	13,287	74,096
1880	3,130	19,428	14,396	15,949	14,908	93,671

The Wisconsin law was enacted in the early part of 1874 and repealed in 1876. The other granger laws were enacted,—Minnesota in 1871; Illinois in 1873, and Iowa in 1874. By 1875 it may fairly be assumed that the effect of these laws was most pronounced in all of the granger states. The figures presented show that Wisconsin and the other granger states held their own in railroad construction as compared with the four surrounding Northwestern states, the Middle Atlantic states, the Southern states, and the total railroad mileage of the United States. Indeed, the granger states did better than the others. They show a greater increase than the neighboring states, with which they may certainly very properly be compared. They also show a greater increase than both the Middle and Southern states, and a relatively greater increase than the country as a whole. If we take the mileage for 1873, the year which immediately preceded the legislation in Wisconsin, and compare it with the railroad mileage in 1875, the last year of the granger period in Wisconsin, we will find the following per cent. of increase: Wisconsin alone, 9 per cent.; the four granger

states, including Wisconsin, 6.1 per cent.; the four adjoining states, 4.1 per cent.; the Atlantic states, 5.9 per cent.; Southern states, 2.4 per cent.; and the United States, as a whole, 5.5 per cent.

It was charged that the railroad industry was prostrated by this legislation. Examine the railroad earnings for these years. I am not able to procure data for the gross earnings of the railroads in Minnesota or Nebraska covering this period of time. For this reason those states are omitted in this comparison, the figures for which were also obtained from the various state reports and from *Poor's Manual.*

Total Gross Earnings in 1871-73-75 and 1880.

Years	Wisconsin Illinois Iowa	Michigan Indiana Missouri	Middle Atlantic States	Southern States	United States
1871	$54,994,114	$44,433,246	$147,130,494	$41,772,102	$403,329,208
1873	70,027,777	59,106,865	194,052,302	53,696,409	526,419,935
1875	69,621,065	54,731,069	175,677,418	50,399,227	503,065,505
1880	86,954,346	79,038,920	199,003,718	48,317,754	615,401,931

This table discloses additional matter of great importance to this discussion. We find that the gross earnings decreased in the granger states during the period covered by the granger legislation,—that is, from 1873 to and including 1875 (the time when the Wisconsin law was in force).

For the three granger states, however, this was in the trifling amount of four hundred and six thousand dollars. For the three granger states, Wisconsin, Illinois and Iowa, the decrease did not exceed one-half of one per cent. For the adjoining states the decrease for exactly the same period of time amounted to four million, three hundred and seventy-five thousand, seven hundred and ninety-six dollars, or to 7.5 per cent. The Middle states show a decrease in gross earnings of 9.5 per cent.; the Southern states, 6.1 per cent.; the whole country, 4.4 per cent.

If the granger legislation was responsible for this condition of things, then its operation was singular indeed. In the states where granger legislation had been enacted, there was no appreciable decline in gross earnings.

In other states, where no such laws were in force, the decline in gross earnings was great; in fact, the shrinkage was from ten to twenty times as great as in the granger states.

The showing on net earnings is equally significant. For the three granger states from '73 to '75, there was a substantial increase. In the adjoining states, however, there was a decline in net earnings amounting to three per cent.

Whatever depression existed in the granger states during this period was not due to legislation, but to the financial crisis and panic of 1873. The financial distress which followed was very severe; in fact, the depression was the greatest in the history of the country. It began with a panic in the money and stock markets and spread to every operation in finance and commerce. The depression which followed continued in most branches of business until the end of 1878.

When all of the facts in the case are thus brought to light, when we examine it from every side, the granger legislation takes on a different aspect from that in which it has been made to appear for the last thirty years. The granger laws neither stopped railroad building nor reduced railroad earnings. Had the railroads met this legislation in the spirit in which it was enacted, discontinued their discriminations and adjusted their rates to the new basis, their revenues would have been increased under the law. Instead, they made it their special business, and employed others, to attack the grangers and granger legislation violently and persistently year after year. They made the granger legislation responsible for every misfortune that befell the roads. They made it serve as a shield for their own mistakes and shortcomings. Although their invectives have become well-worn and stale, they are still employed against the law designed to control railway transportation.

Securing control of the legislature in 1876, as before stated, the railroad companies repealed the Wisconsin law. They enacted in this state "a statute providing for one railroad commissioner, with very limited functions," as stated by Professor Emery Johnson in his recent work on "American Railway Transportation."

The same campaign in Minnesota resulted in a repeal of her law a year after its passage, and the adoption of a law instead

providing for only one commissioner with little more than supervisory power. In Minnesota this law remained in force for a decade, when a stronger law was enacted.

Iowa's law continued in force until 1878, when a commission was created with limited powers. This statute was again superseded in 1888 by her present law, establishing a commission with power to prescribe rates.

The Illinois statute of 1871 prescribed maximum rates and fares, prohibiting discriminations and establishing a commission to supervise railways and assist in enforcing the laws for their regulation. In 1873 the law was adopted in Illinois making it the duty of the commission to prescribe a schedule of reasonable maximum rates for the transportation of passengers and freight.

It will thus be observed that Iowa and Illinois not only maintained the ground gained by the granger legislation, but extended it and fortified it from time to time, while Wisconsin again came under the dominion of the railway companies. In these three states, lying side by side, the opportunity is therefore presented to apply the tests of comparison to the two systems, namely, where the states have assumed and exercised authority in regulating rates, and where rates are fixed by the railroads without state control. A critical study of these two systems has been of material aid in clearly defining the issue with respect to this important question of Wisconsin.

For years it has been known in a general way that the people of this state were at a great disadvantage. Session after session attempts have been made to again secure legislation for railway control and regulation. The railroads have, however, been strong enough to defeat all such measures. Two years ago the results of painstaking investigation of transportation charges in Wisconsin, in comparison with the rates fixed by the state commissions of Iowa and Illinois, were presented and discussed in the executive message at the opening of the legislature. This was the first time in more than a quarter of a century that the subject had been treated in executive message. Later in the session a special message reviewed the entire rate situation in Wisconsin, Illinois and Iowa, and recommended the enactment of a law creating a commission, with authority to control services and rates.

In any comparison with Illinois and Iowa rates it can be taken as conclusive that the transportation charges in Illinois and Iowa are high enough to give the railroad companies at least a reasonable profit upon the railroad business in each of those states. If the rates afforded the railroads less than a reasonable profit, they would at once appeal to the courts to increase the rates. It is the settled law that neither the legislature nor a commission created by it, with power to fix rates, can compel a railway company to accept less than a reasonably profitable rate. Therefore by acquiescing in the commission rate in Iowa and Illinois without appealing to the courts, the railroads admit the rates to be high enough in those states.

The facts submitted to the Wisconsin legislature demonstrated that the producers and consumers of this state were paying freight charges at that time ranging on the average from twenty to nearly seventy per cent. in excess of the rates paid by Illinois and Iowa for identically the same service.

A bill was introduced, providing for the creation of a commission with power to regulate railway service. The methods employed by the railways in opposition to this legislation are not without interest. The attorneys of the railroad and their lobby agents in opposing this bill before the legislative committee, asserted that there was no discrimination in freight charges against the people of this state, as compared with those of the adjoining states. They declared that freight rates in Wisconsin were just and reasonable; that there was no favoritism shown shippers, and denied the payment of rebates. The legislative lobby was reinforced by many large shippers brought to the capitol upon free transportation, furnished by the railway companies. Some of these shippers came willingly, because they were the recipients of rebates and transportation favors denied to the public. Some small shippers who favored state control of railway rates came to oppose the bill before the legislative committee, as they informed me, because they did not dare refuse, when called upon by the railway companies. In either case, their presence was the strongest proof of the power which the railroads exercise wherever they have absolute control of transportation. This opposition of the large shippers, joined with that of the regular railway lobby, employing its

usual methods, secured the defeat of the commission bill in the legislature of 1903.

The people of the state were too much interested and too thoroughly aroused to permit the matter to be disposed of in any such manner. The control of railway services and railway rates became the paramount issue. The corporations were alarmed, and although they had declared their rates to be just and reasonable when before the legislature of 1903, in the midst of the campaign which followed they reduced Wisconsin rates from time to time upon such commodities as would best serve in the exigencies of the campaign. Instead of mollifying the people of the state, however, this action upon their part simply furnished evidence of the fact that they had been for years imposing excessive rates upon Wisconsin traffic.

An investigation of the differences existing at the present time between rates in Iowa and Illinois and rates in Wisconsin establishes the following:

The average Wisconsin rates on merchandise are nearly thirty per cent. higher than in Iowa for the same service. The average rates upon grain in Wisconsin are over thirty per cent. higher than in Iowa and Illinois for like services. The average rates on live stock are nearly twenty-four per cent. higher than in Iowa and Illinois for identically the same service. If further testimony were required to show the necessity of protection in any state against rate-making on the part of the railroads without state control, it is furnished by the records which the railroads themselves issue to their stockholders respecting their earnings in Wisconsin.

The net earnings of the Chicago, Milwaukee & St. Paul Railway Company are Eleven Hundred and Nine Dollars per mile greater upon its Wisconsin mileage than for the other states through which its lines extend. The net earnings upon this road in Wisconsin in 1904 were equal to six per cent. on a valuation of one Hundred and Ten Million, Two Hundred and Sixteen Thousand Dollars on its entire mileage in the state.

Under Wisconsin's new law for taxing railroads, the Tax Commission, acting as a state board of assessment but a few months ago, assessed the value of this company's road in Wis-

consin at Seventy Million, Two Hundred Thousand Dollars. The representatives of the railway company appeared before the commission, and protested against this assessment as too high, yet they levy a transportation tax upon Wisconsin people which produces a six per cent. income upon a valuation of the same property of about Forty Million Dollars in excess of the valuation fixed by the Tax Commission.

The Chicago & Northwestern Railway Company reports Eleven Hundred and Thirty-eight Dollars higher net earnings for every mile of road in Wisconsin than it reports per mile upon its road in the other states through which its lines extend. The net earnings of the Northwestern upon its total mileage in this state amounts to six per cent. on One Hundred and Twelve Million, Twenty-three Thousand, Three Hundred and Sixteen Dollars. The recent assessment of this road in Wisconsin by the Tax Commission fixes its value at Seventy-one Million, Five Hundred Thousand Dollars, or Forty Million, Five Hundred Twenty-three Thousand, Three Hundred Sixteen Dollars less than the amount upon which the company compels the people of Wisconsin to pay six per cent. annual income. And yet the Chicago & Northwestern, the Chicago, Milwaukee & St. Paul, and other leading roads of Wisconsin have joined in a suit to set aside the assessment of their property as excessive.

At a very early period in the history of the state the railroads had secured the enactment of a law by the provisions of which they paid in lieu of all taxes a license fee upon their gross earnings. This law required a sworn statement to be filed by each railroad company of their gross earnings in Wisconsin for the year. Upon this amount so filed, they were required by the terms of the law to pay a four per cent. license fee. For some time doubts had been entertained as to whether the railway companies were reporting for taxation the full amount of their gross earnings. An investigation of the railway companies' books and accounts was therefore instituted. This investigation disclosed that the railroad companies had been systematically paying rebates to favored shippers for years. The sums so paid, in violation of the federal statutes, were very large, amounting in the aggregate to several millions of dollars.

It is therefore established beyond dispute by the investiga-

gations which have been made respecting rates, rebates, discriminations and inequalities:

That Wisconsin rates are higher than rates charged under substantially similar conditions in the neighboring states of Iowa and Illinois.

That rates charged in Wisconsin on the whole yield a net income to Wisconsin railroads greatly above the amount required for operating expenses, maintenance of property, and a fair profit on the cost of the roads.

That the railway companies are guilty of gross discriminations between persons and places in this state.

If any question can be definitely settled the people of Wisconsin in the last election declared for the establishment of a commission to control railway services and railway rates on state commerce.

The discussion of this issue was demanded in every part of the state. It was thoroughly understood and passed upon in Senate and Assembly districts, and the Wisconsin legislature of 1905, obeying the instructions of their constituents, will write upon the statute books a law for a mandatory commission.

The same conditions which prevail in Wisconsin with respect to excessive transportation charges and discriminations in service, both as to individuals and places, prevail in every other state in the Union, where the railway companies control, and each state owes it to the citizen to secure an efficient and impartial service at reasonable rates upon all state commerce.

I believe there would have been a much more insistent and determined demand for state regulation if the railroad companies had not succeeded in breaking down and nullifying the interstate commerce law. There has been on the part of the corporations a studied effort to work into the public mind a belief that the subject was too complicated and intricate for legislation; that the relation of transportation to the business interests of the country were so involved, complex and delicate that public officials, representing the state or national government, could not be trusted to approach it, much less be clothed with authority respecting its regulation. The traffic departments of railway systems have been surrounded with vagueness and mystery. In deference to the insistence here and there manifesting itself

for some relief, there comes from time to time a clever intimation that tribunals might be created to "hear complaints and make suggestions." But even legislation so limited, it has been urged, should be deferred for further and more matured consideration lest the great interests might be prejudiced and incalculable harm result.

The fact that favoritism, partiality and discriminations with respect to communities, cities, industries and individuals is ruining business and retarding development and growth locally in many sections of every state, the fact that rates are continually advanced, that capitalization of many railway corporations is undergoing marked inflation from time to time, and that, in consequence, the people's business is suffering and many individuals being crowded out, seems to weigh for very little. The fact that the railroads are becoming associated with great business interests inconsistent with rendering impartial service to the general public, and are the most potent factors in building up trusts and monopolies menacing to republican institutions, counts for nothing against this specious plea for non-interference.

It is further urged by those seeking delay that the subject is one which should be uniformly treated, that the state should wait on congress and congress should wait on the states. It is time that the country awakened from its lethargy. Uniformity in legislation respecting the control of railway services and railway rates would be very desirable. So would uniform divorce laws, uniform banking and insurance laws, and uniformity upon many lines of legislation. But because constitutional limitations bar the way for speedy and prompt legislation, uniform in character, it does not lessen the obligation of state government to deal with existing evils in the best way possible according to the powers which it possesses. I believe that it will be a decided gain and a truly progressive step in the practical solution of the problem for a regulation of state and interstate commerce if the state proceeds to do that which is clearly within its power. If each state will establish a just and equitable regulation of rates and railway service as applied to state commerce, it will greatly simplify this subject, bringing it home to each community and making it a part of the

thought of the people of each state. The duty of regulation and the specific method to be employed will be more easily and definitely understood.

The development of all the state's resources, the diversification and interdependence of its industry, and the ready and free exchange of its commodities with an even, well distributed growth in towns and centers of population are all natural objects of special care on the part of a state railway commission. It is true that the boundaries of a state are not the boundaries of its commerce, although there are always natural tendencies to commercial centers within the state. While it is also true in a qualified sense, as contended by the railroad advocates of non-interference, that they are interested in the development of the resources of the state in order to increase their business, it is likewise true that their interests are far from identical with those of the state. It is of the highest importance to the state that there should be many thrifty towns and cities of moderate size well distributed over it. It best serves the interest of the railway company that the products of the state should be carried by the long haul to remote markets. And it should always be remembered that the railways make artificial and arbitrary regulations with respect to where trade and commerce shall center, and that such regulations are made, not with a view to the best development of every part of the state upon the broadest, social and economic grounds, but, instead, that which will make the best financial showing to place before the board of directors at the end of the year. The same reasons which may be urged for the better protection of domestic interests in other respects through state government hold good for the state control of railway transportation. Independent of the large field of local work for state commissions, their establishment might be urged as one of the best expedients for securing early, definite and satisfactory action on the part of congress for proper control of interstate commerce. The proposed question, perhaps, could be presented in more concrete form as a state rather than as a national issue, and when once the issue has been clearly defined with respect to the one, it is easily carried over and applied with respect to the other. Definite, specific results in legislation at

the state capital will bring like results at the national capital. Prompt action is needed in every state where legislation is either wholly wanting or weak in character. Neither should there be any relaxation of effort to secure effective regulation of interstate commerce. The granger agitation of the Old Northwest states was followed by the determined effort to secure national legislation. Today there is a demand for state and national action to bring public service corporations within reasonable control. Organization should be made in every state for co-ordinate action of this important problem. There must be no delay with respect to either. Action means advancement in the right direction. A grave situation confronts the people, calling for wise and enlightened consideration, but calling for action promptly.

Certain fundamental principles are established. The right of the state to act is clear. Comparisons in rates between states where the railroads control on the one hand and where the state controls on the other, show conclusively that government regulation gives decided advantage to the people of those states having commissions, even where the laws are far from perfect, or where the railroads have come to exercise some influence over the action of the commission. The experience in every state where legislation has been secured, or where an attempt has been made to secure it, has been helpful in every other state, and in the nation as well.

Some very important questions with respect to the scope of a state law and of the powers with which a state commission should be invested have been well and definitely settled by experience.

An investigation of the laws of the states which have been successful in creating effective commissions for the control of transportation, offers valuable suggestions and conclusions as to the powers and duties with which they should be vested for the highest services in the public interest.

The following are some of the more important provisions which the result of my research led me recently to recommend much more at length to the consideration of the Wisconsin legislature, in their work of framing a law for the state.

A reasonably good service is quite as important as a rea-

sonable cost of service. I believe a commission should be invested with power to enforce adequate and efficient service for the patrons of railroads, always taking into consideration the circumstances and conditions with respect to the towns, cities and sections of the state concerned. In furtherance of this provision, the commission should have authority to require, in the interests of the traveling public, whenever the action of the corporation makes it necessary, proper station accommodations, adequate train service and reasonable connections with other lines. They should be empowered to require the furnishing of cars for the reasonable accommodation of shippers, to the end that they may not suffer unnecessary delay and loss in reaching market. The commission should have power to require reasonable facilities for ascertaining the weight of loaded cars, thus preventing overcharge and delays in settlement of claims. They should, in short, be able in all important matters to insure protection to the public from the tyranny and abuse of power on the part of the transportation company.

State commissions should have full authority to establish rates and issue orders carrying them into immediate effect. If the commission has power to fix maximum rates only, the railway companies can still unjustly discriminate between shippers by making special rates below the maximum rates. A slight variation is sufficient to ultimately consolidate business in the hands of the favored shippers. If the rate made by the commission does not go into effect at once upon the order of the commission the railroad company can destroy the value of the rate making power by litigation which would indefinitely postpone the establishment of a rate once made.

While the commission should doubtless be empowered to promulgate entire schedules of rates, they should have discretion in the exercise of this right, thus enabling the commission to afford relief where it is most urgently needed, and to proceed with greater conservatism and caution than would be the case if they were required within a definitely prescribed time to establish rates covering all classifications and all schedules. Some latitude in the exercise of this power will enable the commission to make such rates as will be maintained by the courts, should appeal be prosecuted by the railway companies to test the same.

I am strongly of the opinion that while it should be the duty of the commission to investigate all complaints, their action should not be made to wait upon the filing of the complaint. The great body of the people, who, in the aggregate, suffer the burdens and wrongs of excessive transportation charges, cannot appear before the commission and make complaints. The consumers of coal and merchandise and special commodities are the ones who really pay the freight. They do not deal directly with the railroads and do not pay freight to the railway company at all. The dealer who sells to the consumer pays the freight in the first instance, but charges the same over against his customer. The man who buys lumber, fuel, furnishings, clothing and other supplies, is the man who has great cause for complaint. He, however, cannot make complaint. He never knows how much of the cost price of any article purchased is an excessive freight charge. To limit the action of any commission to cases where complaint is made, is to practically destroy the value of railway regulation at all for the great body of the people.

The commission should be clothed with power to enforce publicity in respect to all matters pertaining to the public interest. Invested with this power necessity for prosecution would much less frequently arise. Full knowledge on the part of the commission respecting the earnings and expenses in the operation of railroads is essential, is a basis of rate-making. No rates established by the commission can be maintained in the courts, if attacked, excepting such rates are reasonable and just to the railway companies. To determine this it is of primary importance that the commission should be in possession of all information in detail pertaining to the capital invested, the cost of operation and maintenance.

One of the most important duties of a commission should be to protect the public from the wrongs inflicted upon it by over-capitalization on the part of the corporation. The state should know the value of its railroad properties and it should be unlawful for railroad companies to issue stocks and bonds without first having established, to the satisfaction of the commission, or other authority representing the state, that there is full value back of every dollar of the obligation represented

by stock and bond issue. The people should no longer be required to pay transportation charges upon an enormous overcapitalization of the transportation companies which it charters to do business.

However perfect any state law for the regulation and control of commerce, it will fail unless it be strongly enforced. Hence its success in operation will depend entirely upon the commission charged with its administration. The method of selecting the commissioners, therefore, becomes of the highest importance. Upon this subject there is wide difference of opinion. The result of my own investigation and reflection leads me to the opinion that there are exceptional reasons why men better qualified for the special duties required of commissioners can better be secured by appointment than by election. The work of the commission in fixing rates must stand or fall, as it meets the tests which will be applied in a court of appeals, where such work is very certain to be tested. To be sustained, rates must be just and reasonable to the railway corporations. In fixing the rate, therefore, if the commission is to do justice to the public, it must reduce the rate as much as possible and still make it fairly and justly remunerative and profitable to the railway companies. This requires a technical and expert knowledge of traffic conditions, and of the cost of railway construction, maintenance and transportation. Wherever test is made in court of the work of the commission, they will find themselves confronted by the ablest traffic experts in the employ of the great railway companies. They should be able to meet them in so far as possible.

The selection of men having such qualifications can be more certainly made by appointment than by popular election, in the midst of partisan feeling and excitement due to a political campaign. Indeed, it might very easily transpire that one wholly unqualified, either as to the possession of training and experience, or the qualities of mind to acquire expertness in this important work, but with popular elements of character and experience in campaigning, would be the more likely to secure election than one whose experience and talent had fitted him especially for this line of work.

Upon the necessity of establishing a commission to protect

the interests of the people of each state, there would seem to be no need of argument. The conditions themselves existing in the states where the control is wholly in the hands of the railway companies, and the benefits realized in any state which has taken any steps whatever for such regulation, would seem to be conclusive. Every commonwealth must sooner or later enact such legislation. It will be resisted by the corporations.

The widespread interest manifested throughout the country warrants the belief that every state with weak or imperfect statutes upon the subject, and such states as have no statutes at all, will ere long adopt such legislation as will establish a control of railway service and railway rates.

INTERSTATE COMMERCE.

THE CONTROL OF RAILWAY SERVICE AND RAILWAY RATES.

Railway managers, with rare exceptions, agree that the public should have no voice in regulating railway services or railway rates. Not all high railroad officials have the same boldness to declare their positions that Mr. Milton H. Smith, president of the Louisville & Nashville Railroad Company, disclosed in testifying, upon an investigation into rates on his line of road, conducted by the Interstate Commerce Commission. This testimony was given in a proceeding before the commission prior to the Supreme Court decisions which deprived the commission of all authority to determine as to the reasonableness of the rates:

"Commission: We exercise no authority over your road until it has been determined by investigation that the rate is an unreasonable one. Your objection comes to this, that there ought to be no authority anywhere which has power to inquire whether the rate on the Louisville & Nashville railroad is reasonable or unreasonable? . . .

"Mr. Smith: That is my position.

* * *

"Commission: Now let us go back to our question. That is the foundation of it all. Here are these two points connected by your line of road and by no other line. You say that the government ought to leave you and the shipper who resides at those places free to contract. Now, that shipper is obliged to pay whatever you charge?

"Mr. Smith: No.

"Commission: What could he do?

"Mr. Smith: He could walk; he can do as he did before he had a railroad and as thousands now do who have not railroads."

Of course we can "walk." If all were compelled to "walk" it would at least put an end to favoritism and place each individual on an equality with every other. But that is not what President Smith proposes. He, and all other railway presidents allow Mr. Rockefeller to "ride" while his competitor in business must pay for himself and enough more to help pay for Rockefeller's ride. Whenever any shipper complains, he is told to pay the charge or walk.

In whatever way other railway managers have veiled their designs by greater diplomacy and finer phrasing, they have, with a sole regard to their own gain, given to every community in the country good service or bad, with discrimination or otherwise, at as high rates as they desired to make, and the only alternative offered to the public has been, and still is, to pay up or "walk."

THE RESULTS OF A PAY OR "WALK" POLICY.

Under the system a few men have grown very rich, a few cities have been made very great commercial centers. But equality of opportunity has been destroyed for the individual or the independent business enterprise, and, in thousands of communities, the natural advantages for growth have been nullified, development arbitrarily dwrafed, and all commercial activities limited to mere local distribution.

There would be no Standard Oil monopoly today, no meat monopoly, no coal monopoly, no grain monopoly, no great combinations filling the entire industrial field, and destroying all industrial independence and freedom, no artificial restrictions upon the upbuilding of cities and towns in every state sacrificed to the making of great markets at railway terminals,—in short, there would not have been imposed upon the American people a system which presents to this generation the gravest problem that has confronted democracy, if,—

(1) the federal government, in the exercise of its lawful authority, had, for the last thirty years, fully discharged its duty

to the people who maintain it, by controlling railway services and railway rates on all interstate commerce, and,

(2) if each state government, in the exercise of its authority, had likewise fully discharged its duty to the people who maintain it, by controlling railway services and railway rates on all state commerce.

The control of transportation lines with power to regulate the service and the rate is the control of the industrial and commercial life of the people of any community or any country.

It is well to recall again fundamental propositions in considering the regulation and control of interstate commerce.

The Supreme Court of the United States has held that:

"The business of a public carrier is of a public nature, and in performing it the carrier is also performing, to a certain extent, a function of government."

Government may conduct the transportation business itself as it does in carrying the mails, and limited quantities of merchandise carried through the mails. The business may also be conducted by corporations such as the railway companies chartered by state government and authorized to engage in transportation as public carriers. But the investment of private funds in the construction of railways and the conduct of the business by private corporations in no wise changes its character. It is still a public service and a function of government. As declared by the same court:

"It has never been considered a matter of any importance that the road was built by the agency of a private corporation. No matter who is the agent, the function performed is that of the state. Though the ownership is private, the use is public."

The government has a duty to perform in the regulation and control of railway transportation, because the service is a public service and essentially a function of government. But there are other reasons.

The railway corporation is a natural monopoly. Its lines once established in a given territory naturally excludes other capital from investment in a field which it covers. People living along its line, and in the country tributary to it, must market their products and receive their supplies over its road. They have no choice. The government had empowered the railway company to take their land on which it has built its

road. They must accept their services, or they must "walk." The government has placed the corporation in a position where, uncontrolled, it can tyrannize over individuals and entire communities. It is therefore bound to protect them against any wrong or injustice at the hands of its creatures. Nay, more, the government is under obligation to see to it that the corporation performs its full duty to all persons and all places, efficiently, impartially and upon reasonable terms. The government cannot divest itself of this responsibility. One of the ablest of the United States Supreme Court judges, speaking for that court, said:

"But a superintending power over the highways and the charges imposed upon the public for their use, have always remained in the government. This is not only its indefeasible right, but it is necessary for the protection of the people against extortion and abuse."

STRUGGLE TO SECURE LAW.

The duty which the state owes to protect the commerce of the state, the federal government owes to protect the commerce of the country.

It required a ten-year struggle to enact the interstate commerce law. So powerful and effective was the railway opposition in congress, the measure was defeated session after session. When finally enacted in 1887, it created a commission of five men, to be appointed by the president with the consent of the senate. In this act it is declared that all transportation charges shall be reasonable and just and that every unjust and unreasonable charge is prohibited and unlawful; that the commission created by it is authorized and required to execute and enforce all the provisions of the act; that it shall investigate, inquire into, report and order a discontinuance of all violations of the law; that it shall execute the law by petition to the court to enforce its orders, and that the court shall enforce all lawful orders made by the commission.

When enacted, it was believed by congress, and throughout the whole country, that the law invested the commission with authority to "supervise rates, and to issue orders and decrees with respect to what a rate should be." When it became ap-

parent that the enactment of the law could no longer be postponed, the railroads were ready with ingenious suggestions for amendment to weaken and destroy its efficiency and lay the foundation for its overthrow in the courts.

ITS PURPOSE DEFEATED.

Under the persistent attack of the railways, the authority of the commission was narrowed by a line of decisions which the court rendered from time to time. Finally, by 1897, a majority of the Supreme Court had decided that the law was not all what congress declared it to be. By judicial decision the commission was deprived of all power to supervise rates, or to issue orders or decrees with respect to what a rate should be, and transformed into a body merely authorized to hear complaints, take testimony and make recommendations.

In its report for 1897, the commission says:

"As now construed by the Supreme Court, the carrier is given the right to establish and charge these rates independent of the judgment of the commission, and independent of the action and judgment of any court or other tribunal; the right to establish, demand and receive unreasonable and unjust charges is not prohibited; and that in respect to the charges which may be demanded and received for any transportation service, the carriers are made the judges in their own cases as to what is reasonable and just."

Thus, all that the people, through congress, had been struggling to secure since 1877, all that they believed they had secured through the enactment of the interstate commerce law in 1887, had been practically swept aside. The victory attained by the people in congress had been changed into defeat by the railroads in the federal courts. The people were just where they had started twenty years before.

APPEAL OF COMMISSION TO CONGRESS.

For years the Interstate Commerce Commission has laid before congress all the facts: the systematic increase in rates; the gross injustice in discriminations; the utter helplessness of the commission to afford relief. In its annual report to congress, December, 1897, the commission reviewed the Supreme Court

decisions and made it clear that there was no power left in the law to protect interstate commerce. It urged in that report the necessary amendments upon the attention of congress, and this has been repeated in extended discussion and reinforced with recommendations in each annual report for the last seven years.

In 1898 the commission reported to congress that there was

"no power, in the judgment of the commission, or in the judgment of the court, to restrain a railroad company from demanding and receiving unreasonable and unjust charges."

They said further:

"The power of fixing and establishing reasonable rates or charges in advance is the only practical legal remedy for extortion and unreasonable and unjust charges."

Again, in 1899, congress having failed to act, the commission said:

"Every consideration of private justice and public welfare demands that the railway rates shall be reasonable, uniform to all shippers, and equitable between all communities. Until needful legislation is supplied that demand must remain unsatisfied."

Again, in January, 1900, the commission urged action, and, among other things, said:

"The request of the commission for needful amendments have been supported by petitions and memorials from agricultural, manufacturing and commercial interests throughout the country, yet not a line of the statute has been changed, and none of the burdensome conditions which call for relief have been removed or modified. . . . It is sufficient to say that the existing situation and the developments of the past year render more imperative than ever before the necessity for speedy and suitable legislation. We, therefore, renew the recommendations heretofore made, and earnestly urge their consideration and adoption."

Every effort to pass a bill embodying the recommendation of the commission to afford relief to the overtaxed commerce of the country having failed, the commission, in its next annual report to congress of 1901, said:

"The reasons for urging these amendments have been carefully explained and repetition of the arguments at this time can hardly be expected. . . . Knowledge of the present conditions and tendencies increases rather than lessens the necessity for legislative action upon the lines already indicated, and in

such other directions as will furnish an adequate and workable statute for the regulation of commerce among the several states."

This important legislation having failed again in 1902, the commission once more appealed to congress. Referring to the defect in the law, the commission, in this report, says:

"That this imperfection is curable is equally conceded. The fullest power of correction is vested in the congress, and the exercise of that power is demanded by the highest considerations of public welfare. . . . The sense of the wrongs and injustice which cannot be prevented in the present state of the law, as well as the duty enjoined by the act itself, impels the commission to reaffirm its recommendations for the reasons so often and so fully set forth in previous reports and before the congressional committees. Moreover, in view of the rapid disappearance of railway competition and the maintenance of rates established by combination, attended as they are by substantial advances in the charges on many articles of household necessity, the commission regards this matter as increasingly grave and desires to emphasize its convictions that the safeguards required for the protection of the public will not be provided until the regulating statute is thoroughly revised."

RE-INFORCED BY PRESIDENT ROOSEVELT.

Recognizing the right of the federal government to regulate and control interstate transportation, and the wrongs and injustice which could not be prevented without further legislation, President Roosevelt, in his first message to congress, with respect to the interstate commerce law, said:

"The act should be amended. The railway is a public servant. Its rates should be just to, and open to all shippers alike. The government should see to it that this is so, and should provide a speedy, inexpensive and effective remedy to that end."

February 9, 1903, an act relating to the payment of preferential rates was approved. It contained nothing, however, which could in any way aid the commission in affording protection against unreasonable and extravagant rates. The commerce of the country was still subject to the levying of a transportation tax as heavy and burdensome as the railroad companies were pleased to impose. Representative business men, shippers and producers, were petitioning congress and appear-

ing before committees, with testimony and argument, to reinforce their prayers for relief. December, 1903, in its annual report, the commission again made a strong appeal for legislation which would clothe them with authority to establish a reasonable rate. Referring to the act of February 13, 1903, it said:

"It has added nothing whatever to the power of the commission to correct a tariff rate which is unreasonably high or which operates with discriminating effect. It greatly aids the observance of tariff charges, but affords no remedy for those who are injured by such charges either when they are excessive, or when they are inadequately adjusted. . . . *This is the point to which the attention of congress has been called. This is the defect in the regulating statute which demands correction.* In previous reports this question has been frequently and fully discussed. We have commented at length upon the weakness and inadequacy of the law as its provisions have been construed by our courts. We have carefully pointed out the amendments which we deemed essential, and explained in detail the reasons for our recommendations. We are unable to add anything of value to the presentation heretofore made. *Our duty in this regard has been performed.*"

For seven long years this broken-down statute has been before congressional committees, where, day after day, arguments and appeals have been made in vain to secure action to repair, in some measure, its defects.

As the law was weakened and the efficiency of the commission impaired by judicial decisions from time to time, leaving the interstate transportation of the country without regulation, railway rates became higher, railway abuses began to multiply, and protests and complaints came from all quarters of the country, and from all classes of industry. Within a year or two railroad consolidation became marked. The railroad business of the country was literally honeycombed with discriminations in the form of rebates, and transportation charges were everywhere generally advanced.

ENORMOUS INCREASE IN RATES.

The Industrial Commission, in its report submitted to congress December, 1901, after a careful investigation of the subject, said:

"Summarized, we conclude that the advance in the *published* freight rates upon all the railroads of the country is probably not less than twenty-five per cent."

Powerless to restrain the railroads from imposing higher rates, powerless to prevent discrimination in shipping charges and facilities to favored interests and localities, the commission could only, year after year, set forth, in its annual report to congress, the gravity of the situation, and the urgent need of legislation for the protection of the commerce of the country. In its latest published report, it is made very clear that rates have generally advanced in all sections of the country.

The coal rates, the iron schedules, the rates upon grain and its products, lumber, live stock and its products, are generally higher than four years ago,—the increases upon coal rates alone amounting to very much more than twenty-five million dollars per year.

The Interstate Commerce Commission has shown that the average rate per each ton of freight—not per ton, per mile—was about 12¾ cents higher in the spring of 1904 than in 1899. When the increase was applied to the traffic of 1903, it was found that it meant an increase in gross earnings, from this source alone, of over $155,000,000. From this cause alone, the gross earnings from the freight traffic in 1903 was thus over 13 per cent. greater than would otherwise have been the case. The gross earnings from freight traffic were $424,282,871 greater in 1903 than in 1899. Of this amount $155,000,000, or about 36 per cent., were derived from increases in the rates.

INCREASED TRAFFIC AND IMPROVED EFFICIENCY CHEAPENS COST OF TRANSPORTING.

No one will question the soundness of the proposition that as the volume of traffic increases and the efficiency of transporting is developed and improved, the cost is greatly reduced, and rates should fall proportionately. But, instead, rates have steadily advanced, adding greatly to the increased cost of living, wrongfully imposing burdens upon the great body of consumers throughout the country.

The volume of traffic has greatly increased since 1896.

In 1897 the tons of freight carried one mile per mile of road amounted to 519,079. In 1902 it stood 793,351. The increase thus amounts to 274,272, or about 52 per cent.

The facilities for handling were greatly improved, increasing the number of tons carried in each car, and the number of loaded cars in each train, as well as the capacity of engines for moving larger loads. Roadbeds and tracks have likewise been improved, and all of the elements of cost in transporting freight greatly reduced. At the same time the cost of these improvements has, as a rule, been charged to operating expenses, and paid for in the increased rates by the people.

In 1897 it required 1,647 cars to carry 1,000,000 tons of freight. In 1903 it required only 1,268 cars to carry 1,000,000 tons of freight.

In 1897 each locomotive carried 36,362 tons of freight. In 1903 each locomotive carried 51,265 tons of freight.

In 1897 the average number of tons per freight train mile amounted to 204.62. In 1902 it amounted to 296.47. Here, then, we have an increase in the efficiency of the road to handle freight that is equal to about 42 per cent.

With the increase in the volume of traffic the profits of handling the same will be relatively very much larger, even though there is no improvement in the facilities of transportation. But where the facilities have all undergone the marked improvement above noted the profits are, of course, enormously increased. This proves to be the case with the railway companies during recent years.

For the whole country gross earnings and net earnings per mile were as follows:

The gross earnings per mile were $6,122 in 1897, and $8,265 in 1902, an increase for the period that amounted to $2,503 per mile, or to 40.9 per cent.

The net earnings per mile amounted to $2,016 in 1897, and to $3,084 in 1902, an increase of $1,032 per mile, or 46 per cent.

The net earnings per mile in 1897 were equal to 6 per cent. on $33,600. The net earnings per mile in 1902 were equal to 6 per cent. on $50,800.

We have, then, an increase in the volume of the traffic

amounting to 52 per cent., an increase in the efficiency of the road to handle all the traffic equal to 42 per cent., with a resulting increase in gross earnings for the period amounting to 40.9 per cent. per mile of road, and of the net earnings amounting to 46 per cent. Add to this the fact that the net earnings per mile on all the railroads of the country equaled 6 per cent. on a capitalization of $33,600 for the year 1897, while the net earnings per mile by 1902 had amounted to such a figure as would equal 6 per cent. on $50,800 per mile, and we have a result, the significance of which can escape no intelligent man.

Observe, now, what is definitely shown with respect to advancing rates.

The approximate average rate per ton per mile was 7.24 mills in 1899, and 7.57 mills in 1902.

The average *revenue per freight train mile* was $1.63 in 1897, and $1.79 in 1899, while in 1902 it amounted to $2.44.

EARNINGS OF INDIVIDUALS INCREASED BUT SLIGHTLY.

Whenever the public complains that rates are unjustly increased, we are at once told in sweeping, though somewhat indefinite way that the advances have been made to meet increased expenses and higher wages paid to employes. The corporations well understand the public regard for all the men employed in this hazardous calling, and that such an explanation will go a long way to quiet criticism.

It is true that material is somewhat higher. It is likewise true that the companies are paying higher wages or rather higher salaries. The total wages paid by the roads of late years have increased, owing mostly to the increase in the number of men employed to handle the traffic or business. But the total wages per mile of road from 1897 to 1902 did not increase over 32 per cent., which is a much lower ratio of increase than the increase in both gross and net earnings.

The average daily rate of wages per each person also increased, but in this case the increases were comparatively small, except for the officers of the road, for whom substantial increases may be noted. The average increase per person, outside of the officers, does not exceed five per cent. This is plain from the following table:

Average per cent. of increase in wages on all the railroads in the United States from 1897 to 1902, inclusive:

Classification	Per Cent.	Classification	Per Cent.
General officers	17.08	Other shopmen	4.09
Other officers	9.37	Section foreman	1.17
Gen. office clerks (no increase)		Other trackmen	7.75
Station agents	4.04	Switch tenders, crossing tenders and watchmen	2.90
Other station men	.61	Telegraph operators and dispatchers	5.78
Enginemen	5.20	Employes — acct. floating equipment	7.52
Firemen	7.31	All other employes and laborers	4.26
Conductors	4.56		
Other trainmen	7.36		
Machinists	5.82		
Carpenters	3.48		

It will be seen from the foregoing table that the increase in wages means,—outside of high salaried officials and a small addition ranging from one per cent. to seven per cent. in the wages of all other employes,—simply a larger total amount paid out as wages owing to the employment of a larger number of men to handle the great increase in the volume of the traffic.

RATES WILL GO HIGHER.

No student of the railway problem can fail to comprehend the deep significance of the power which unrestricted control of transportation enables railways to exert upon the industrial and commercial life of the people of every state in the Union.

The railroads are not only able to maintain their present high rates, but can at their pleasure continue to advance them until the charge is as high as the traffic will bear. Unless controlled, this is what they will do. It is but little more than two months since the Interstate Commerce Commission was called to Chicago to hear protests of shippers against having forced upon them, under cover of a uniform bill of lading, an increase in freight rates which would have amounted to more than a quarter of a million dollars at one stroke. There is now no competition to restrict railroads in any degree. Consolidation

has completely destroyed all competition in rate-making. While competition was never effective as a regulator of rates, it formerly had some restraining influences. Often it has reduced rates. In other cases it has prevented rates from becoming extortionate. This was more particularly true of lines between great traffic centers. For the greater number of intermediate stations on independent lines, there could be no direct competition whatever.

In more recent years railway managers had been working to eliminate competition even before the new plan of consolidation was devised. They were quick to discover that railroads are monopolies, and that competition between them differed from competion in other lines of business. The advantages of maintaining rates were seen, and the roads early made contracts for a division of the traffic, or for the earnings between competitive points. This was called pooling. In 1887 pooling was prohibited by the interstate commerce law. An effort to evade the interstate commerce law was then made by the roads entering into traffic agreements. These, also, were declared illegal by the Supreme Court in 1897.

CAPTURE OF THE HIGHWAYS OF COMMERCE.

We come now to the great master stroke for the absolute control of the highways of commerce and trade by the consolidation of the railroads of the country under what is called the "community of interest" plan. Under this plan practically the entire vital railroad mileage of the country has passed under the control of six groups of financiers, each group, in large measure, controlled by one man. The effect upon railway interests and the public has been tremendous.

In order to convey some idea of the enormous combinations which have been formed in the railroad world and of the unlimited power thereby centered in the hands of a few individuals, the following statement is submitted. The figures in this case have mostly been taken from *Moody's Manual of Corporations.*

The Six Great Groups.

Classification	Number of roads embraced	Mileage of each group	Capitalization of each group
Vanderbilt group	132	21,888	$1,169,196,132
Pennsylvania group	280	19,300	1,822,402,235
Morgan-Hill group	225	47,206	2,265,116,359
Gould-Rockefeller group	109	28,157	1,368,877,540
Harriman-Kuehn-Loeb group	85	22,943	1,321,243,711
Moore-Leeds group	91	25,092	1,059,250,939
Total	922	164,586	$9,006,086,916
Allied Systems	250	13,721	380,277,000
Total under control	1172	178,307	$9,386,363,916

The disclosures of this statement are positively startling. Nearly ninety per cent. of the total railroad mileage, representing, in fact, almost all of the principal commercial highways of the country, are controlled by six sets of financiers with an identity of interests, which, in effect, makes a single control. Need we marvel that the present rates are not only unreasonably high, but that they are being advanced from time to time? From time to time the rates go up whenever this bold and powerful tax-gatherer chooses to increase the levy.

The logical results of this consolidation must be obvious to all. The entire country has been partitioned and apportioned between these great railway groups. It is indeed a great conquest. Each group dominates its own territory. With agreements as to classifications, rates and division of traffic, the railway business has ceased to be a competitive business. The railway business of this country has become a monopoly in fact. This monopoly controls transportation and transportation charges on interstate commerce and upon state commerce, excepting where states have provided for state control.

It was claimed for this consolidation that it would reduce expenditures, increase efficiency and in every way aid the economics of railway traffic. It was affirmed that this was the only purpose of consolidation. Whenever investigations conducted by the Interstate Commerce Commission touched this system at any point, railway managers were loud in their protestations that the public would share in the benefits arising

from the changes which were only administrative in their character and with manifestations of indignation, from time to time, they resented any implication that such consolidation was for the purpose of "extortion" and "abuse." The insincerity of these expressions are exposed.

HOW THEY LEVY TRIBUTE.

In their last volume of published reports, the Interstate Commerce Commission records the following:

"One of the most significant things in recent railway operations is the steady advance in the cost of transportation of freight by rail. A few years ago the impression was general that freight rates could not and would not be advanced. Railway traffic officials frequently affirmed this in testimony. When the commission had under consideration certain consolidations of railway property, the eminent gentlemen who brought them about, stated, under oath, that the purpose was not to advance but rather to reduce rates. Recent history belies this prediction."

Of these advances the Interstate Commerce Commission says:

"The rates upon these commodities which constitute the bulk of interstate traffic have been advanced in nearly all sections. . . . What the total amount of increase from all these causes has been cannot be said with any degree of certainty. The advances have usually been small as applied to a single ton or a single hundred pounds, and it is difficult to form any adequate comprehension of their tremendous significance in the aggregate. The increase of but ten cents per ton in the coal rates in the entire country would mean more than twenty-five million dollars annually, and the actual advance has been much more than this. . . . "

When the rates on lines in different systems go up in exactly the same amount at exactly the same time, it smacks pretty strongly of conspiracy. Respecting these unjustifiable advances, the commission makes the following observation:

"They have been, almost without exception, the result of concerted action. . . . It is idle to say that where such condition exists, where, for example, every one of the numerous lines transporting grain from Chicago, St. Louis and kindred points to the Atlantic seaboard, advance their rates upon the same day and by precisely the same amount, there has been no understanding between companies."

After noting the wide range and extent of these advances, and the heavy burdens which they everywhere impose upon the producers and consumers of the country, the commission says further:

"The freight rate has been properly termed a tax imposed for the benefit of the carrier rendering the service. The effect of this advance has been to enormously increase the tax laid upon the general body of producers and consumers for the benefit of that species of property which renders the service."

It is evident that this great railway combine is using its enormous powers unsparingly, not only over roads and traffic conditions, but over industrial conditions generally.

RAILWAY COMBINATION REACHING OUT.

Consider what they have done. By consolidation nine hundred and twenty-two different roads and nearly half a hundred different railway systems have been merged into six greater systems, reaching out with their network of lines into the remotest sections of the lands. Their interests are now joined. Their action is harmonious. Their purpose is a common one. They direct the movements of commerce and trade. They determine where its lines shall converge. They make the great commercial centers.

But why should consolidation stop with the consolidation of railway lines? Why should control stop with the control of transportation? Why not control great industries? Why not control markets, and fix prices to consumers? Consolidation and control of transportation systems is the base on which to build up a greater system. Observe its progress. Observe the identity in interest and ownership which is beginning to appear between the Standard oil, steel, coal, meat and other monopolies and the great railway systems of the country.

With the railway systems commanding all the highways, the alliance was an inevitable one. The railways consolidated into big groups, favored big shippers with millions in rebates, exacted in higher charges from rivals and from the consumers at large. The consolidation was breeding its own kind. The masters of the highways were entering the industrial fields. They owned the coal trust; they were taking on iron and steel.

The captains of industry, controlling pipe lines and transports, were hungering for a share in the highways to market. For long years they have been partners in the criminal violation of the statutory and common law. The field was enlarging. The country was entering upon a new era of expansion. The consumers were multiplying. If the railways were to control the highways, the alliance was inevitable. The trusts were coming in under the system.

RAILWAY CONSOLIDATION AND MONOPOLY.

The motives which promoted consolidation of the railways of the country into six great groups, operates with powerful effect in concentrating shipments in a few hands, with a view to large traffic transactions. A rate slightly to the advantage of one company must ultimately give the favored concerns all of the business.

As an abstract economic proposition it may be true that increased profits in the hands of a few shippers may allow larger development than under conditions where the business is divided, but it is certainly harmful to any community from social or economic consideration. Wealth may be more rapidly accumulated when one individual or a combination of individuals secure a monopoly of the business of any town or city, but the thrift and prosperity of every community depend upon a general, even though moderate success coming to the largest possible number. The railroad prefers to deal with large shippers, and it encourages centralization in business. It has a contempt for the small dealer. It cannot see the individual. It is looking for tonnage. Big deals in traffic appeal to it. It creates and nourishes trusts and combinations.

I invite attention to some examples of the methods employed by the railroads to consolidate shipping resulting in the creation of monopolies. These facts have been obtained from official reports and other reliable publications.

ANTHRACITE COAL MONOPOLY.

The second most important product of the earth is coal. The supply is severely limited. There is absolutely nothing to take

its place for the purpose of fuel and power in the world. The entire wood supply could last but a very short time. The anthracite or hard coal of the United States is limited to 484 square miles. The Industrial Commission reported that nine-tenths of the entire supply has passed from the hands of private owners into the posssession of eight railway companies which act together in restricting the output and keeping up the price. The lines of these eight railways furnish the only available means for transporting anthracite coal to market. In pursuit of a settled policy these railroad companies have forced private owners to sell their coal mines for half their value. This was accomplished by increasing the freight rates and by refusing cars to carry coal for private owners whenever such owners could not be brought to terms by the establishment of exorbitant transportation rates.

To prevent the consummation of this iniquity, the people of Pennsylvania, in 1873, adopted a constitutional provision to prohibit common carriers from mining or manufacturing articles for transportation over their lines, or from buying lands, excepting such as should be required for the operation of the railroad. In defiance of this provision of the constitution, these railroads pursued their settled policy of forcing the mine owners to sell their lands to the companies, and of acquiring such lands solely for mining purposes, and of conducting mining operations throughout the Pennsylvania coal fields, not only in anthracite, but in bituminous coal as well.

After acquiring the monopoly of the anthracite coal fields, owning the coal and owning the railroads over which the coal is transported to market, they fixed, and have ever since maintained, the freight rates at an exorbitant figure in order to make the consumers throughout the country pay dividends on the over-capitalization of both the railroads and the coal mines. Freight rates today on anthracite coal are three times as high as on bituminous coal.

This coal trust bears harder, even, upon the unfortunate and helpless laborer that mines the product at the wage level of a generation ago than upon the consumers, who are just beginning to feel the burden of its increasing oppression. Its utter indifference and contempt for constituional and statutory law

and for public opinion should awaken in the people of this country the spirit that framed the declaration of independence and founded the government in which the will of the people should be supreme.

MONOPOLY IN GRAIN BUYING.

That the railroads manipulate elevator combinations, controlling the grain market, has been well understood for many years. From time to time conclusive evidence of the existence of such combinations have been obtained. Effort has been made to weaken the force of such testimony, and special excuses have been offered in particular instances in attempts to break the effect of such evidence.

The United States exports annually enormous quantities of grain, but, says Judge Prouty of the Interstate Commerce Commission: "One can count upon his fingers the concerns which bring the bulk of it to the American seaboard."

Grain upon the Chicago market is handled by half a dozen concerns. It is brought from the fields to Chicago by as few men. One company buys upon one line of railroad. Nobody else can buy there. Another, upon another line. One company alone does the buying on each road. The methods of discrimination adopted by the railroads are: (1) barefaced cash money payments; (2) elevator commissions; (3) excessive car mileage similar to the discrimniations in the packing house products; (4) sometimes a shipper will pay the full interstate rate in consideration that he shall receive preferential rates on traffic within the different states.

Mr. A. B. Stickney, president of the Chicago Great Western Railway, is authority for this statement respecting the granting of favors to the large grain dealers: "If all who have offended against the law were convicted, there would not be jails enough in the United States to hold them."

The importance of a very slight rebate in the grain business is seen when the margin of profit is known. A representative of Armour & Co. testified before the Industrial Commission that the difference of one-sixteenth of a cent per bushel will determine where the grain will go.

The Industrial Commission reports that the terminal grain elevators at Chicago are owned by comparatively few men or firms. It says further that the owners of the large public elevators also engage in buying and selling grain. These large grain elevator companies also own practically all of the elevators along the lines and at the terminals of each railway system.

The weight of the testimony taken by the Industrial Commission shows that the grain business is substantially in the hands of five large dealers operating over eight western railroads. They are:

Rock Island R. R., Charles Councilman; Northwestern R. R., Bartlett, Fraser Co., and Peavy Elevator Co.; C., B. & Q. R. R., and the C., M. & St. P. R. R., Armour & Co.; Santa Fe R. R., M. Richardson; Union Pacific R. R., and others, Peavy Elevator Co.

In a investigation prosecuted by the Interstate Commerce Commision, they found and reported in 1902 that the monopoly of grain buying is conferred by the railroad companies on some particular party with the excuse that it is the effect of competition. Respecting this the commission says:

"While the investigations of the committee have not fully covered this aspect of the case as yet, it is a matter of common information, and we know from repeated complaint received, that some one firm or some one individual purchases substantially all of the grain which is handled by a given line of railway, and the claim is made, and the inference is almost a necessary one, that this firm or individual must receive concessions which enables him to underbid other buyers in the same market."

They say further in conclusion upon this subject:

"At the present time grain and grain products move from points of origin to the seaboard generally upon secret rates. This is entirely true of that portion which is exported, and, in the main, true of domestic traffic."

Under this system the producer of grain is compelled to sell his product in a market where prices are fixed, not by the law of supply and demand, but by the arbitrary will of the favored elevator company, which, in combination with and through the favoritism of the railway company, is in a position to dictate market prices.

For reasons best known to the railway managers, they likewise discriminate against the milling interests of this country and carry grain for export at a rate which is operating to destroy the milling business of the country. Formerly, the milling was done here and the product mostly exported in the finished form. The grain trust appealed to the railroads. Immediately rates were readjusted.

"In 1900, the aggregate of flour exported was 96 per cent. of the entire export of wheat; in 1901, it had dropped from 96 per cent. to 55 per cent., owing to the discrimination practiced."

April 10 ,1902, it was stated before the Interstate Commerce Committee of the House of Representatives, by Mr. Eckhardt, representing the Chicago Board of Trade:

"That it is unfair and unjust to the great industries of this country to compel us to pay a tariff rate of 17½ cents a hundred on flour from Chicago, for instance, and, at the same time, to carry wheat on a secret cut rate of from eight to ten cents per hunder pounds. It practically means confiscation of so much milling property."

It was further stated that the milling capacity of this country is sufficient to grind up all the wheat produced in the country in five months. With the railrods, masters of rate-making, the milling property located in thirty-three different states of the country, is to stand idle, while the railways and large elevator companies in combination work out some division respecting traffic, profitable alike to both.

RAILWAYS PROMOTE MEAT TRUST.

The meat monopoly of today had its origin in the "Evener Combination," which was organized in 1873. The "Evener Combination" was formed upon an agreement made between the "Big Four," consisting of Armour & Co., Swift & Co., Nelson Morris & Co., and Hammond & Co., and the three great traffic lines running from Chicago to New York. These roads, the Pennsylvania, New York Central, and Erie, agreed to charge $115 for each carload of cattle shipped over their lines from Chicago to New York, and to allow "certain shippers" in Chicago $15 of this amount on each carload of cattle so shipped.

The result was the destruction of the St. Louis cattle market, which before that time had been in a very prosperous condition, and the concentration of the trade in Chicago, where it has since remained. Says the report of the committee appointed by congress to investigate this industry in 1900:

"The inevitable effect of this combination which gave a premium of $15 a car upon all cattle shipped Chicago east was to concentrate the marketing of all western cattle at Chicago."

During the five years between 1873 and 1878, the business of the "Big Four" grew so rapidly that at the end of that period they had practically monopolized the entire cattle business. The "Evener Combination" terminated in 1878-9.

When the "Evener Combination" disappeared, the "Dressed Beef Combination" took its place. This combination was organized to control the market on beef products, forcing down the price of live stock purchased from the producer, and forcing up the price of the meat product sold to the consumer. While this organization originally comprised but four of the great packing houses of Chicago engaged in purchasing and slaughtering beeves, they broadened and extended the combination so that the markets on all meat products have been brought into subjection and control. The congressional committee, investigating this subject in 1890, after a protracted session in St. Louis and Chicago, stated in their report:

"So far has the centralizing process continued, that, for all practical purposes, the market of Chicago dominates absolutely the price of beef cattle in the whole country. Kansas City, St. Louis, Omaha, Cincinnati and Pittsburg are subsidiary to the Chicago market, and their prices are regulated and fixed by the great market on the lake."

They say further:

"We have no hesitation in stating as our conclusion from all the facts, that a combination exists between the principal dressed beef and packing houses which controls the markets and fixes the price of beef cattle in their own interest."

They found that this combination had been formed: (1) to fix the price of beef to purchasers and consumers so as to keep up the price in their interests; (2) not to interfere with each other in certain markets and localities in the sale of their meats; (3) to act together in supplying meat to public institutions at

Washington, the bids for the contracts being made by one company and the meat supplied by each of the packers in turn. How was this accomplished?

Aided by the railroad companies this great combination has been able to crush out opposition in every quarter of the country. There is no such thing as a free and open competitive market in which the farmer can sell a pound of beef or pork or mutton on the hoof. His prices are made for him arbitrarily by this combine. There is no butcher shop in the United States in which a consumer can purchase a pound of beef, excepting at the price controlled by the meat trust. The testimony of one of the strongest concerns in the combination, written down in the congressional report, frankly admits "that they combined to fix the price of beef to the purchaser and consumer so as to keep up the cost in their own interest."

This all-powerful monopoly of the meat business of the country could never have obtained so much as a footing, except for the arrangements which it effected with the railroads at the time of its organization.

The report of this important investigation says further:

"An unjust and indefensible discrimination by the railroads against the shippers of live cattle is made in the interests of the combine. This is the spirit and controlling idea of the great monopolies which dominate the country. . . . No one factor has been more potent in affecting an entire revolution in the methods of marketing the meat supply of the United States than railway transportation."

As an instance of the way in which the railroads assist the packers' combine, the committee cites the followin:

"A man by the name of Schwabe, who was engaged in the butcher business in Freeland, Pennsylvania, was in the habit of killing some cattle to supply his own trade. Armour & Co. learned of this and sent a telegram to their agent, H. P. Lacey, which read as follows:

"H. P. Lacey, *Freeland, Pennsylvania.*

"Cannot allow Schwabe to continue killing live stock. If he will not stop, make other arrangements, and make prices so as you can get his trade.

(Signed) Armour & Co.

Schwabe refused. From this time on he could buy no meat from Armour & Co., and *could not get any cars from the Erie*

railroad to ship his cattle from Buffalo, but was compelled to ship on the Delaware & Lackawanna, a route not so direct. In other words, he was boycotted by Armour & Co., through the Erie Railroad Co. as their agent.

As a necessary result of the concentration at Chicago of the cattle trade by railroad discrimination, there was established at that place the Union Stock Yards, with a capitalization of $4,400,000. These yards were used as another means to discriminate against independent packers doing business east of Chicago. Exorbitant prices were charged these men for the feeding and watering of their cattle. The withdrawal of the palace cattle cars east of Chicago helped along this discrimination. These palace cattle cars are so arranged with racks and other appliances that the cattle can be fed and watered without being unloaded. These cars have been regarded with great favor by shippers and have added much to the value of meat when butchered. The Trunk Line railroads allowed ¾ of a cent per mile on each one of these cars each way as rent for the use of the cars.

Refrigerator cars, carrying dressed beef and owned by the "packers' combine," are allowed ¾ of a cent per mile each way between Chicago and New York. Looking more closely into the question of refrigerator cars, we find them to be the worst form of discrimination. By an investigation made in 1899, it appeared that, on a single line of road, refrigerator cars, owned by three firms, earned $72,945.95 in nine months. An investigation in 1890 disclosed the fact that 250 private stock cars, costing $156,500, earned in two years a net revenue of $171,532.20.

The private car arrangement, while a great convenience in promoting discrimination, is also a powerful factor in aid of establishing monopoly. The Armour interests in Chicago have an absolute monopoly of the refrigerator business in the shipments of fruit between that city and California.

The investigation of the Interstate Commerce Commission at Chicago October 10th, 1904, paid special attention to the fruit trust, which is controlled by the Armour interests. Evidence was offered to prove that Armour & Co. have practically a monopoly in the handling of fruit and other products that require the use of refrigerator cars. This concern, with the

co-operation of the railroads, was able to compel commission merchants, fruit growers and all others engaged in the industry, to pay an assessment of from twenty-five to seventy dollars a car for the privelege of shipping fruit and vegetables in such cars. The penalty of refusal to comply with this demand was an embargo on all shipments and forced retirement from the business.

It was shown that all of Tennesse's products are barred from Chicago by a prohibitive icing charge of seventy dollars per car, while Georgia ships twice as much fruit in a car at one-half the tariff rate, and twenty-five per cent. less in icing charges.

The railroads give rebates to the dressed beef men, which they refuse to shippers of cattle, even though they ship by the train-load. January, 1902, the Interstate Commerce Commission said in its report to congress, respecting the relations existing between the great packing houses and the railroads, the following:

"That the leading traffic officials of many of our principal railway lines,—men occupying high positions and charged with the most important duties, should deliberately violate the statute law of the land, and, in some cases, agree with each other to do so; that it should be thought by them necessary to destroy vouchers and so to manipulate bookkeeping as to obliterate evidence of the transactions; that hundreds of thousands of dollars should be paid in unlawful rebates to the few great packing houses; that the business of railroad transportation, the most important but one in the country today, paying the highest salaries, and holding out to young men the greatest inducements, should, to such an extent, be conducted in open disregard of law, must be surprising and offensive to all right-minded persons."

Concerning these concessions, whether by rates or rebates, the commission says later in its report:

"The effect is to give these large packers an enormous advantage over other similar competitors, who are located at other intermediate points. Already these competitors have, in the main, ceased to exist. We find in these disclosures a pregnant illustration of the manner in which secret concessions are tending to build up great trusts and monopolies at the expense of the small, independent operator."

I have passed by the Standard Oil, which must ever stand as the type and model of the whole monster brood, some of which are above outlined. With the aid of the railroads, it

destroyed thousands of independent business enterprises, destroyed prosperous, thrifty communities and towns, happy homes, and individual hopes. But its hideous story is known in every household.

GOVERNMENT CONTROL VITAL.

No power other than the government itself is equal to that of these industrial combinations always in close association and often identified in interest with railroad and transportation companies. Their tremendous political influence is shown by the mere recital of the history of the interstate commerce act, and by an examination of the records of congress for the last seven years. Which has had the stronger hold upon state and national legislation during the last twenty years, the corporations or the people? Whose interests have been the more safely guarded? Where is the power lodged which has for seven years been strong enough to bar national legislation, designed to enlarge the powers of the Interstate Commerce Commission? It is not necessary to charge venality anywhere, but that the public service corporations have been steadily undermining representative government in national, state and municipal legislation, no thoughtful man can question. They come between the people, and the chosen representatives of the people.

I would in no wise disparage either the rights or the interests of the railroad side of this legislation. The question is one of very great magnitude. The amount of property involved is very large. The owners of railroads, and the holders of railroad securities must be protected in all of their rights. They must not be wronged in any way. They are entitled to such remuneration as will enable them to maintain their roads in perfect condition, pay the best of wages to employes, meet all other expenses incident to operation, and in addition thereto enough more to make a reasonable profit upon every dollar invested in the business. To preserve all of these rights, they are entitled to the strongest protection which the law can afford.

But the public, each community, and every individual, has rights equally precious. Upon the railway companies rendering an adequate and impartial service at reasonable rates, all

general prosperity is dependent. Deprived of either, every community is checked and limited in its growth; every business of whatever nature must languish and fail. The denial of an impartial service at reasonable rates, is the denial of equal opportunity, the denial of a square deal.

RATE MUST BE MADE BY AN IMPARTIAL AUTHORITY.

In the long struggle to secure some legislation, the friends of the measure have been content to ask little, and they have received nothing. But through all of the years of waiting and disappointment, of ruin to individuals and demoralization to the business of many communities, public sentiment has been gathering force. It is all powerful when once aroused. Unless I mistake the temper of the American people, they will demand the full measure of their rights. They will not halt or stop or compromise until that demand is fully satisfied. The abuse of the rate-making power lies at the foundation of the transportation problem. Through this the traffic can be controlled and centralized at railway terminals, business consolidated and combinations established. Remedial legislation, therefore, to be effective, must strike at the root of the evil. It must place the rate-making power where it will be used fairly and justly to all concerned. The public has long permitted itself to be treated as though its interests were of small consideration. The miner, the manufacturer, the farmer, turn out the products which constitute the traffic of the country. They, and the consumers, are vitally interested in everything pertaining to the transportation of these products. The railroad corporation is chartered through the favor of the state, to engage in the transportation business, nothing else. It was created, and given its special powers and privileges to promote the general prosperity of all. It has not been vested with authority to decree that one shipper or city shall grow rich and great at the expense of another. It is preposterous that the corporation, which is merely a carrier, not the producer or consumer of the product carried, should be permitted to stand in relation to that product as though its interests were the sole interests to be considered. The carrier should not be permitted to say where the product shall be marketed. If it has au-

thority to dictate rates, it can make it impossible for the producer to choose his own market. It can so arrange its schedule of rates, it can so conduct its service, as to force produce, merchandise and manufactures to the market which it chooses to build up.

RAILWAY COMPANY DISQUALIFIED.

The making of the rate is a matter of deep concern to more than one party to a traffic transaction. True, the railway company has large interests involved. *This very fact unfits it to be the sole judge in making rates.* Rates made by the railway company are made by a party prejudiced in its own interests and therefore certain to be unjust to the public. It is disqualified and should be barred. It is entitled to be heard; all of its interests must be fully and fairly weighed in regulating its services and fixing their value to the public. But its interests are not paramount to those of the public. The producer and consumer are likewise entitled to be heard as well as the railway company, and it is then the duty of the government, standing between, to determine impartially the rights of the railway company and the rights of the public.

In all of the hearings before congressional committees those opposed to enlarging the powers of the Interstate Commerce Commission seem to believe that there is something sacred about a railway rate; that it would be a veritable sacrilege for any one outside of the railroad management to lay a hand upon a freight schedule. Any critical investigation of railway tariffs, and the advances made in rates from time to time, will convince the student that rate-making is more frequently controlled by the financial management than the traffic department of the road. But I am free to admit that rate-making requires technical, expert knowledge and experience. The railroads are able to secure the services of men fitted to make rates. Surely this great government, with all of its wealth and power, with all that it has involved in protecting the interests of the citizen, can employ equally competent men. And the people of this country, who pay to the railroad companies annually nearly three times as much as it costs to maintain government, are determined that the rates shall be made by some one who will make them fairly and justly.

NO HALF-WAY MEASURE WILL SETTLE ANYTHING.

The right of the government to act has long been settled by the highest authority.

The necessity for the government to act on its own account is too plain for argument.

The duty of the government to act for the protection of the citizen in every town and hamlet of the country is everywhere manifest.

No half-way measure will serve. No law full of ambiguities, to be wrought out into court decisions, repeating the sickening experiences suffered with the interstate commerce law, will settle anything. The people of this country are not to be tricked or cajoled or baffled for another quarter of a century. They are coming to have a very clear understanding of their rights. They are manifesting an exercise of independent judgment in the matter of nominations and elections never before witnessed since the organization of political parties. They will not be trifled with. They will secure legislators, state and national, who will serve them.

The same obligation rests upon the federal government with respect to interstate commerce, and the state government with respect to state commerce. They must act independently. Neither can afford to wait for the other. If one fails to meet the full measure of its duty to the citizen, that must not be made an excuse for the other.

The federal government is great and powerful. It can secure the services of competent men. It can employ as many as may be required to protect the interests of the business and the people of the country. The present commission, composed of able and experienced men, should be clothed with authority to supervise services and establish rates. If it is necessary to divide the country into districts and increase the commisssion, placing each district under the control of a given number of commissioners, it should be done.

THE POWERS OF THE COMMISSION.

The commission should have power to correct a rate or establish a rate upon its own motion. Its order establishing a rate

should at once carry the rate into effect, to continue until such time as the commission shall otherwise order, or the court of appeals otherwise determine, if an appeal should be taken.

While it would afford some relief to large shippers, and to special lines of traffic between large commercial centers to limit the action on the part of the commission to cases where complaint is made, it would afford little or no relief at all to the great body of the people of the country composing the small shippers and the consumers. They pay in the end the great proportion of all freights. The manufacturer advancing the freight charges it to his jobber, the jobber charges it over to the retail merchant, and the retail merchant passes it on to the consumer. Excepting as the manufacturer or jobber or merchant is interested in a reduction to secure an equality of rates with competitors, they have no interest in the freight charge whatever, and if rates are equitable as between them and their rivals in business, it is of little or no consequence to them that the rate is a high rate. It is from the shippers that we so often hear that the amount of the rate is not so important as the equality and stability of rates. Of course, the amount of the rate does not greatly concern the shipper.

THE CONSUMER ENTITLED TO PROTECTION.

It is of consequence to the consumer. The great body of the people of this country never pay a freight bill to a railway company direct. They are nevertheless the ones who pay the amounts which make up the enormous receipts of the railway companies. They pay the freight when they buy lumber and coal and other supplies. The steadily advancing freight charge is a matter of vital importance to them in the ever increasing expense of living. It falls upon the consumer more heavily than any one else in the country. They are in no position, however, to file complaints with the commission, first, because upon each article the overcharge stands by itself and is not sufficient in amount to warrant the expense necessary to enter upon such a contest, and, further, because the consumers have no knowledge of the amount of the overcharge. The lumber or coal or merchandise comes to them at a round cost price, and they have no information upon which to separate excessive

freight charges from the total cost. As to them, then, no law which limits relief to cases of complaint only, will be of any benefit whatever. If any one is to be protected, surely it should be those to whom the reduction would be a matter of some importance in the domestic economy which they must practice in all things. No legislation which leaves them out would be just. The consumer has waited long and patiently. The legislation which is to stand for any time must be broad enough in its terms to cover him as well as the shipper.

NO COMPROMISE.

It is not necessary to say that the undertaking is too great. No other duty which the government owes to the people and this country is more important than that pertaining to a control of transportation, and if it were necessary for the government to install a government official in the traffic department of every important railway office in the United States, it should meet and discharge the responsibility.

It is time for determined, concentrated effort on the part of all the people of this country. They can easily control if they will but move, and move all together. They have a brave, able and progressive friend in President Roosevelt. He has declared for them. He cannot be misled. He will not compromise. At the beginning of this congress he said in his message:

"The government must, in an increasing degree, supervise and regulate the work of the railways in interstate commerce; and such increased supervision is the only alternative to an increase of the present evils on the one hand, or a still more radical policy on the other. In my judgment, the most important legislative act now needed as regards the regulation of corporations is this act to confer on the Interstate Commerce Commission the power to revise rates and regulations, the revised rates to at once go into effect and stay in effect unless, and until, the Court of Review reverses it."

No utterance made by a president in many years has called for higher courage or carried hope to so many struggling business interests in the smaller cities and towns of the country. Thoughtful men everywhere are strengthened for the great contest which is coming on.

MUST CONTROL RAILROADS, OR RAILROADS AND TRUSTS WILL CONTROL COUNTRY.

In conclusion, then, let it be remembered that the plan developed and consummated in building up the anthracite coal trust, the grain trust and the meat trust is indicative of the power of the railroads in combinations. There is not an important trust in the United States which does not have the assistance of the railroads in destroying its competitors in business. The limitation and control of these public service corporations within their legitimate field as comman carriers is of primary importance in the practical solution of the trust problem which confronts the people of this country. It is manifest that any trust legislation to be effective must go hand in hand with a control over railway rates by the federal government on interstate commerce, through an enlargement of the powers of the Interstate Commerce Commission, and a like control of railway rates on state commerce by each of the states through a state commission. Added to this, the railroad companies must be prohibited from using the extraordinry powers conferred upon them by the state for any other purpose than conducting effieciently and impartially the transportation business for which they were organized.

When we consider the magnitude of the railroad question and the industrial question, and their combined influence upon industrial and political independence, it becomes apparent that it is impossible to overstate or exaggerate the dangers with which we are menaced. These great combinations of wealth, owning most of the natural produce of the earth, controlling what they do not own, created and nourished by the railways and in combination with them, are already making their powerful influence felt in municipal, state, and national legislation. More than all other national questions with which we have to deal should this question be placed above party consideration. The sentiment of the American people is unanimous that it should be solved, not in any spirit of blind, irrational prejudice, but with an enlightened public policy that employs all the power lodged in state and federal government against the wrongful usurpation of the rights of the people.

LA FOLLETTE OF WISCONSIN.

INTIMATE STUDY OF ONE OF THE MOST INTERESTING FIGURES BEFORE THE AMERICAN PUBLIC.

By EMERSON HOUGH.

America needs a man. Never in all her history so much as now has she needed a man. Within twenty-five years this need will be the more imperative. Within twenty-five years, at the present pace of matters in America, there will be seen in this country, as in another, streets red with blood, and will be heard arising with another meaning the cry, "There is no czar!"

This is not to say that America has not a man for the four years next to come. A magnificent opportunity has been accorded Theodore Roosevelt. The people have trusted him. They will require of him results. If he shall lay down his office at the end of four years, showing explanations and not results, he will retire from office one of the most execrated men that ever sat in the White House. So great is the need today of an actual man in America, so swift will be the ultimate rebellion of the American people, patient until now under the worse than reckless individual exploitation of their resources, patient even in the reckless dilution of their blood, patient even under the continuous treachery of both the great political parties who have rendered themselves masters and not servants of the American people.

This sounds like sensationalism. It will sound less so twenty-five years from now, perhaps even four years from now. Assuredly the people of America will demand Magna Charta back again. Assuredly there will arise for them the man they need. Whether he be governor, senator, president, is of no consequence. He may be greater than either or all.

This man whom America needs may perhaps be a young man today, just coming out of the school of letters or into the school of life. He may perhaps be one of the four figures now under the public eye; four men who have something more than an oppportunity of political success. One of these may prove a great American.

We have President Roosevelt, with the shackles off, as America hopes; a man with honesty and courage and zeal, a man somewhat handicapped by himself, and somewhat further handicapped in his knowledge of American life by the fact that he started in the middle of the ladder, and has actually but a theoretical knowledge of much of the strenuous life of which he writes and talks. Theodore Roosevelt does not know all of America. We never yet have had a president who did. It seems a brutal thing to say of a man who has done so much that he has much more to do; that the people will inexorably exact much more from him than political success; that they will eventually humble him with the vastness of the responsibility cast upon him—the greatest responsibility, the greatest duty ever placed upon any president of the United States. The Revolution—the war of the Rebellion—what are these when it comes to a question of Magna Charta? It has nearly come to that in America today.

Then there is Folk of Missouri, a good man. Whether he is a great man no one knows. He is untried in office. No one knows whether or not he will prove a good servant of the people.

There is Deneen of Illinois. He is thought to be a good man. He too is practically untried in office. It is not yet known whether he will prove a politician or an American. It is not yet known whether he will attempt to be a master of the people or their representative and servant, as the coming great American must be.

Then there is La Follette of Wisconsin, the champion of Wisconsin, three times its governor, now its senator. La Follete for the presidency after a time? It is irrelevant and immaterial to ask it. The question is not upon Roosevelt or La Follette or any other man for the presidency or any other specific office. The question is that of America's need for Magna

Charta again, and her need for a man. The chair at the White House is not necessarily the greatest place in America.

What about La Follette of Wisconsin, a fighter with the soldier left out, a man who knows American life from the bottom round of the ladder up, and who now proposes deliberately to learn every section of America? He is a man without a party behind him. He has a state behind him instead of a party. Since his message went out this month of January he has had more than a state behind him, and more than a place on the side track of the United States senate, that great aggregation of corporation agents.

La Follette has come up from the ranks. He has done it by personal courage, by intense concentration, by indomitable will. He fought a clean fight in a hundred unknown battles in congress. He fought his best friends there and at home when they came to him with propositions tainted with unclean politics, the usual politics, the customary thing, to buy and sell and trade in votes, and lie and steal. He took his chance of political damnation, because he would not corrupt himself or attempt to subborn a judge of the bench in his own state. To do this he had to practically resign from his own party and to alienate that party's most powerful figure in his state. Of this fight the public knows little, but it was La Follette's greatest. It was fought outside of the lime light, for the sake of conviction, and not for the sake of advertising. La Follette won that fight and came back into the political arena saddened, embittered, but greater than he has been before. He realized then that the court of appeal was not his own self righteousness or his own ambition, but the people, in whom the power of this government is vested; who have never alienated that power from themselves, and who will never allow it to be taken from them in this country.

They call La Follette a great republican. What folly! They call him presidential timber. What unspeakable folly. La Follette is not a great republican, but a great democrat. He knows that the democracy of America is largely in the rank and file of the republican party today; that the South, professedly democratic, is practically only so by reason of the race question, and that the principles of aristocracy and not of wide

democracy prevail by tradition and necessity in the South rather than in the North. La Follette's real party has no name. To give it his name would be to stultify it. For him, or for some one else if he shall prove indifferent or faithless, there is a growing party of an actual democracy, a party of popular intelligence and resolution. At present Robert M. La Follette is leader of that party in the state of Wisconsin.

He could have had no better battle field, so he himself admits. The state of Wisconsin has a large foreign population, but it is a good sort of population. Just before the close of the first half of the last century all Europe was in a state of revolution. The best and most independent minds of the oppressed peoples of Europe evaded that oppression by emigrating to America. That sort of emigration was quite different from the present hopeless and apathetic masses which are shipped to us now in cargoes at so much a head. The Germans of Wisconsin—for it was just at this time of discontent in Europe, as Governor La Follette points out, that Wisconsin threw open her arms to the world as a state—were tired of monarchies and of oppression. They were revolutionists, thinkers. They were ready to listen to the doctrines of a popular government. They were ready to rebel at oppression of any kind. Their children are as ready today. It was here, in large measure, that La Follette found his support. That support did not need in Wisconsin—will not need in America, the name of any party. Call them what you like, republicans or democrats, or yellow dogs, or half breeds, they are the men who in Wisconsin and elsewhere will eventually rebuke that democratic party which has betrayed them, that republican party which has perhaps even more betrayed them, since it has the greater opportunity for such betrayal.

Today the La Follette idea and La Follette himself are before the public. Let us remember that this is not a question of the senatorship or presidency. The career of Mr. Bryan is proof enough of the yearning of America for a Warwick, even a misguided one. It was the unplaced Warwick vote of America which last fall rebuked the plutocracy, the moneyocracy, the aristocracy, which under the name of the democratic party sought last fall to elect a president. The immensity of the

republican majority was called a tribute. It was not such. It was a rebuke to the democratic party, so-called. It was no less a warning to the republican party, so-called. What was called a great republican victory was perhaps one of the smallest republican victories ever gained. The margin of safety of the republican party was perhaps never smaller than it is today. This seems folly or sensationalism. It will seem less so twenty-five years from today, possibly four years from today. What America needs and is going to have is a man!

Again let us insist that even the presidency may be too small for this man. In some ways the chair at the White House is a small one. There are plenty bigger. The question is simply, Who is the man, and what is he? Not a socialist; not an anarchist. Simply an American, simply a man who remembers that under our pledge to ourselves and to the world we are a republic and must always remain so.

Review, then, the list of possibilities before the public. Decide for yourself, and upon such knowledge as you may obtain from unbiased study of actual facts, what manner of man and what manner of platform are apt to attain prominence in the near future. Or, leave out the question of the man altogether and take up that of the idea for which he stands. Forget La Follette, and remember the Wisconsin idea, which is something new in American politics and progress.

The Wisconsin idea is that of the truthful printed page and the logical public speech. Its purpose is an educated voter; its intent is to put the power in the hands of the intelligent and educated voter. That is Americanism. There is much hope in that idea. Perhaps that idea may preserve Magna Charta for the American people, and not make it necessary for them to take it back again. Under this idea Theodore Roosevelt and Robert M. La Follette are brothers, twin brothers. Roosevelt, let us hope, is not a republican, but a democrat in the true sense, as he personally insists he is, and as he now has opportunity to prove. La Follette is not a republican, but a democrat. Moreover, he has been building an intelligent democracy. He has been making public the truth regarding government and misgovernment. That is the Wisconsin idea. Such has been the life, and such will be the life of the exponent of the Wisconsin idea.

Is La Follette a politician? Yes, a good one. Is he honest? Ask those who have fought with him. Is he in earnest? Ask his friends. Is he a game fighter? Ask his enemies.

La Follette has never yet quit a fight. He has never yet taken the weaker part. Offered a seat in the United States senate he said: "Yes; if, first I must be assured that I have this legislature with me on my railroad commission law. Otherwise I stay right here." He has never been bought. He has sacrificed his personal future and that of his family for the sake of the fight. He is a poor man today. His office as governor cost him $3,000 a year as a luxury. He went on the platform and lectured to make up that $3,000. One of the ablest trial lawyers in the state, he abandoned a lucrative law practice and for three terms as governor has pleaded before no supreme court but that of the people. He has personally compiled lists which teach him the political belief of practically every voter in the state of Wisconsin. He reaches his voters with pamphlets and with speeches. In his speeches he resorts to no cheap anecdote to hold his crowd. He can talk three hours to a packed audience, using no wit, no humor, nothing but logic, and handling such questions as *ad valorem* taxes and differential rates—and he can hold his audience. He can write a pamphlet on unjust railroad discrimination which carries its conviction on each page. He has no campaign fund. The other faction of the republican party has the money and the press. When he has needed money to go on with the fight and to spread his literature among the voters he has gone on the platform and lectured to earn it. He was never blest with fortune. He did not begin at the middle of the ladder. His whole life has been fight, fight, fight all the way through. A marvel of concentration and continuity of purpose, he has never been driven away from his idea; he has never consented to plead before any political court saving the supreme court of the American people. That is the La Follette idea, and that is the reason that the question of the presidency of the United States is a trivial one in regard to this man.

How much of his battle has La Follette won? Only a part, and yet a great deal. Setting aside his recent election to the senate, he won his more important battle of the governorship.

The fight still remains to control the legislature, upon whose vote, of course, depends the victory of the rate-making railroad commission which is the stern and fixed ambition of La Follette for his state, which he would rather have than a seat in the senate. Back of that he has already won his fight for the *ad valorem* tax of railroad properties. He won it by educating a public, every voter of which can tell you more about *ad valorem* taxes than you know yourself.

Is this all that La Follette has done after his endeavor? No. His fame rests upon an accomplishment greater than that of senatorial office, greater than his election to the governor's chair for the third time.

The great La Follette victory—the great American victory—the beginning of the great American victory, was the primary election law of Wisconsin. The establishment of the Australian ballot for the primaries was something bigger than Theodore Roosevelt has ever done, bigger than any act of Folk or Deneen or Bryan. It is all very well for reformers to wail aloud, or for reformers to protest and promise generalities, but after all the man with a remedy is the practical one and the one most to be desired. La Follette found a remedy.

The reasoning was simple. "After all," said he to himself, "this is perhaps America. Perhaps, after all, the country does not actually belong to these monopolies which are killing America. Perhaps, after all, this is a republic, this fraction of America which might have been. Perhaps, after all, the people are the masters and not the slaves. Therefore, let the people elect their servants and not have one set of masters elect for them another and succeeding set of masters. Let the people and not the system, the machine, nominate their own servants."

That was a simple and great thing. It is the greatest thing done in America for very many years. It is far greater than the taking of a city. If we be forced to comparisons, it is far greater than the taking of San Juan hill. It was done after a far harder fight than that of San Juan, against greater odds.

The man who won that fight is not to be denied. His weapons are irresistible. Tired of bosses, he went to the actual boss. That is the Wisconsin idea—that the voter is the actual boss.

Watch that idea travel, once it gets beyond the confines of the state of Wisconsin. It is the greatest idea of today. It is the idea which declares Theodore Roosevelt and Robert M. La Follette and Joseph W. Folk and Albert B. Cummins and Charles S. Deneen and every other figure deserving the attention of the republic today to be great democrats and not great republicans, great men and not great politicians; great Americans, great servants and not petty masters so-called. Woe be to the man of these who shall fall out of that classification!

No man is coming forward more swiftly today than this same La Follette of Wisconsin, who in two days has changed the attitude of the railroads and of the senate and of the interstate commerce commission. This man is a fighter, and he will not quit. The railroads know that, and the senate will learn it. How, then, about La Follette as a personality?

As a man, La Follette has been much misrepresented. The republican press of Wisconsin has been practically owned by the so-called stalwart wing of that party. La Follette has been obliged to resort to the circular instead of the newspaper for advertising. It has been hard to get the truth about him. Moreover, the man himself is an actor. His best friends do not claim to know him, though they love him and are faithful to him. The La Follette lieutenants are not political henchmen but personal devotees. What, therefore, is to be said about this man of strange personality, who came up from the ranks himself, and who has always gone back to the ranks when he needed aid and counsel? What about Robert M. La Follette, the man? I feel in a position to speak with a certain confidence on this point.

I first saw Robert M. La Follette twenty-five years ago, at the State University of Iowa, on the occasion of an interstate oratorical contest. La Follette had won the contest in his own state, and was now to meet the chosen speakers of the surrounding states. His oration, as I remember perfectly, was a study of that strange Shakesperean character, Iago, that impersonation of crafty, slinking, covert evil. Personally, I was not obliged to remember La Follette of Wisconsin or his oration, but the singular fact remains that out of all those speakers who appeared before us that night, La Follette of Wisconsin, as we

called him then, remains alone and absolutely distinct! I do not remember the name of a single speaker of all the others who competed in those dear, absurd old college days, twenty-five years ago. Might this be because La Follette was the winner of the contest? Not necessarily, for, though I cannot recall the personality of one of the others, I can see plainly today—just as perhaps many others who were there can see today—the slim, straight figure of the man from Wisconsin. He did not seem short in stature, though now I know he was. He leaned just slightly forward, in confidence, in enthusiasm. His hair—"pompadour," we called it then, in college phrase—stood like a mane over his forehead. As he jerked his head forward in gesticulation this mane would half fall forward and then go back into place, elastic. He had a good jaw, as we who were then interested in football noticed.

As to his oration, it was a matter of thought and careful study, of logic and conviction. There was no humor about it. He had briefed the case of Iago from all known records. He showed the facts about Iago, and we listened. The man from Wisconsin actually pursued Iago. At last Iago himself vanished, slipping away, merged into the shadows, no longer to be feared!

It was simple, easy. It won.

Now I personally remember that oration and that man today. I cannot truthfully say that I remember any portion of any other college oration that I ever heard. I have never been hired, or paid, or chartered to remember La Follette or Iago, yet I have done so. This is a mere incident, but it is an incident of considerable interest; for that was twenty-five years ago, and until the present week I have not seen La Follette or his oration on Iago since.

After the time that we babes and sucklings came out of college, the years resumed their steady progress. Personally I forgot Iago and La Follette. One day I heard, in a sort of trance, that La Follette had gone to congress. This pained me at the time, as I could not see how it happened that he had gone to congress and not myself. Bread and butter again troubled, and again I forgot La Follette of Wisconsin. He himself was still pursuing Iago in congress—still briefing Iago.

Shakespeare never killed Iago. La Follette returned to Wisconsin. There was his old antagonist in another form! Did La Follette rush into print at that time? No. For seven years he worked on his primary election law. He did it as a lawyer. He examined every discoverable precedent, case, decision and parallel measure to be found in the United States. Then he went to the people with his brief, just as he did at Iowa City. He won. Exit Iago again into the shades of night!

Meantime—to make this matter more clear: and one may give assurance that the personal equation is in negligable quantity—there had happened, out in the state of Iowa, a little paltry, common tragedy. It was a railroad tragedy. It was one of many thousands which happened then, which have happened more frequently since, which have multiplid so rapidly of late that today the president of the United States is setting apart as a special duty of congress their investigation. It was not a death—something rather worse than that. It was a little, unnoticed, common tragedy—the tragedy of discriminating railroad rates.

I do not mind saying that it was my own dear old father who was involved, so that I know all the facts. It was very simple. Given a grain and lumber business in a small town, and a railroad which gave one competitor in that line of business a cut rate on all lumber shipped west of the Mississippi river and all grain shipped east to the river; no argument remains. The competitor with the cut rate forced his business rival to the wall. That tragedy, with many others similar, is before the American congress today. For myself, though I cannot see what the railroads would lose by letting congress regulate their rates, neither can I see what the railroads gained by this discriminating rate back there in Iowa twenty-five years ago. The amount of grain and lumber shipped east and west was precisely the same, only one firm did the shipping instead of two. One family went down instead of two surviving. I do not see what the railroad gained.

Today that question is before congress for answer. Today La Follette of Wisconsin, with his oration on Iagoism, carefully briefed for seven years, is ready to ask, what did the railroad gain? Am I interested in that? Was your family?

So now, after twenty-five years, during which Robert M. La Follette had been briefing Iago and I had been briefing bread and butter, I met La Follette of Wisconsin, neither as a friend nor as an enemy, and not for the purpose of what is known as an interview. I went to him as any of us might go, as a plain American, telling him that I despised a politician above all created things, and that as a citizen of America I was simply looking for a man.

One would have recognized La Follette from the college memory, though one had not seen him since. His figure now appeared to be shorter. He had grown stockier. The "pompadour" still endured, shot now with gray, beaten down just a little, but still elastic.

As a boy I had thought the La Follette eyes were dark and piercing. All politicians, at least in the press reports, like to have "dark and piercing eyes," and a "tall, commanding figure." La Follette has neither. His eyes are blue or blue-gray—the best fighting eyes in the world, as they are the best for the management of any weapon. La Follette, who has never had time for sportsmanship, with short practice, made the best revolver score at Camp Douglas, military week, last year. The La Follette eye is small, like that of any fighting animal. A spaniel has a large luminous eye, which you can knock off with a stick. The bull terrier is differently constructed. Had La Follette been of the spaniel type, docile, licking the hand that smote him, his eye might have been off and out long ago. Back under a bony brow, narrowed to a slit in a fight, like that of a pugilist, the little blue La Follette eye is that of a courageous, faithful and fearless bull terrier. As to this, a friend of his unwittingly gave a perfect illustration.

"Bob La Follette," said he, "is like a dog which has been left in charge of his master's coat—nice dog, been friendly to everybody. Pretty soon the fellows sitting around think there may be a bottle or something in the fellow's coat, and they want it. They go up to the coat, but the dog puts his paw on it. 'Nice dog,' they say, and he wags his tail—always a pleasant sort of dog anyhow—but they don't get the coat. Then they try to take it away by force. That's where the fight begins."

The La Follette jaw fits the rest of his face. His chin and mouth are those of the speaker, of the actor if you please. What shall I say, who saw it for the first time in twenty-five years? As to the expression of this face, worn by twenty-five years of uphill fighting, what shall I call it? They say he has the face of a Jesuit. Yes. But it is the face of Lallemand, Jesuit burned at the stake for his convictions, and smiling in the flames! It is the face of a Jesuit, but let us believe his church is the catholic one of humanity. He will go to the stake for it.

La Follette of Wisconsin is human, and therefore has a stomach, and that stomach suffers under mental tragedy, as all of us know. The La Follette stomach went to pieces fourteen years ago and again eight years ago. Senator Sawyer, his former friend and later political enemy, was responsible for that. Then the La Follette will came into play. He briefed his stomach. He read everything he could find in the records about stomachs—ever case, every decision. He won.

He has not eaten meat for four years, makes his diet largely of nuts and grains and milk, and yet today is the picture of an athlete! He exercises regularly each day, eats cautiously, systematically, drinks temperately and treats himself as a fighting machine. His arm today is as hard as nails, his eye bright and keen, his nervous vigor so tremendous that he will wear out man after man in a long session of work. He is the most Japanese-like, the most scientific fighter in politics today, and the one with least of the grand-stand about him. He looks upon himself simply as a machine for the accomplishment of ideas—of ideas which we will not call ambitions but purposes.

I told Governor La Folllette that I remembered him and had done so for twenty-five years. This brought out a nice artificial, political smile. Then I told him about Iago, and he smiled a real smile, a human one. Then I told him about the little tragedy which happened out in Iowa twenty-five years ago—something in his own line as I thought. Unawares I went under his guard. The man's eyes filled with tears. His lip quivered. The secret of much of his succcess was out! He has the magnetism of understanding and sympathy, and magnetism backed by will and purpose and honesty can do much, can do all.

Such are some of the reasons why they cannot beat La Follette of Wisconsin. Understanding and sympathy and actual knowledge of his people, a sincere conviction, a tremendous concentration of purpose, a clean personal life—these things are so much greater than the common, arrogant power that goes with money and corruption in politics that the progress of La Follete of Wisconsin has been a thing foregone and assured.

But they had called the man an orator, an actor, a pretender, a Jesuit. It remained to sting this strange exterior and to change the result. "La Follette," I said, "because of that little tragedy out in Iowa I am not a congressman or a governor, but a newspaper man. I have one brutal question to ask, which any American has the right to ask: Who has won this victory,Governor La Follette or the people of Wisconsin, Senator La Follette or the people of Wisconsin? Are you fighting for La Follette or for Wisconsin? For yourself or for the people? Are you a politician, or are you a real man?"

After all, brutality is sometimes efficient! I shall not forget the expression which came upon his face. It could not have been done by artifice or by accident. The man is sincere. He is real. His ambition is not a personal ambition but a great purpose. It is something bigger and better. It is manhood. It is bigness. How many men did you ever see who put any sort of string upon the acceptance of a seat in the senate of the United States? When the news of the La Follette conditional terms came out I for one saw confirmation of the answer he gave to that frank and brutal question which any American has the right to ask of any political officer, but which few Americans do ask. The answer and the later confirmation are the base of a great hope that America will find a man. La Follette of Wisconsin is not working for himself, but for an idea, a principle, a purpose.

This nomination for the senate came to him since that day. He accepted it only on the condition that the Wisconsin idea shall win at home. That is not politics.

La Follette of Wisconsin is honest. He is a zealot, a zealot of understanding and sympathy. He has been tortured before now. He will go to the stake if need be.

Does the past of La Follette of Wisconsin, does the character of this strange man, fit him to be what is called presidential timber? How unspeakably cheap a question! The great question is simply whether or not America is to have a man. We can always have a president.

In or out of office, in the senate or afterward, in yet higher office or otherwise, La Follette of Wisconsin is too great and game and good a man not to be heard of in public. His idea of teaching the people the truth, and then of leaving the issue with the people is too sane and too sound and revolutionary an idea not to attain swift prominence. Under monopoly lies unjust discrimination in transportation charges. Back of those unjust charges are large political figures. But back of these figures, these office holders, is the secret Australian ballot, at the beginning, at the primaries, at the caucus. That is the Wisconsin La Follette idea.

It it a great and valid idea. Watch it travel, watch it run, watch it perform. It will win or preserve Magna Charta for America.

Elect Robert M. La Follete president of the United States? It is immaterial. As to that, whether he be governor or senator, it is the present determined purpose of his life to go upon the platform before the people in his own state and elsewhere. There lies his great future. He has briefed many things besides Shakespeare. He is very close to the people whom he addresses, and therein lies his strength. Above all, he knows the great power of the women of America.

Your own wife is a far better politician, a far better social economist than yourself, no matter who you may be. No politician can fool her, and that almost any sort of a politician may fool you is something that you may easily prove by examining the records. The woman of the house knows that it costs forty per cent more to live in America than it did ten years ago. You cannot fool her in regard to that for a moment, nor explain it away from her mind. She knows that something is wrong. It takes but a very poor sort of La Follette to show her that monopoly is at the base of that, and discrimination under monopoly, and corruption under both. That doctrine wins. It may mean the ruin of the present republican party,

which for twenty years has been faithless to the trust reposed in it, which for twenty years has been permitting the ruin and oppression of the American people. Go before the women of America and ask them what they care for presidents, for the republican party, for the democratic party. They will tell you that what they want is one man in whom they can believe, one honest man who can take off that forty per cent. Granted that, the people will take care of the party. It is time now for a trading of the names of the two great parties of America, if not for the organization of a party of actual honesty and actual accomplishment; a party which briefs its case, its doctrines, and then goes before the people; a party which looks upon its chosen officials as servants and not its masters. That is the La Follette idea.

For these reasons—which will be more obvious twenty-five years from now, or four years from now, than they are today, America needs a man; and for these reasons La Follette of Wisconsin is entitled to prominence in the popular consideration of available material.

Theodore Roosevelt, minus Roosevelt, would always have been a big man. Even plus himself he has his chance today. He has his chance to make that subtraction. He has his opportunity to go to the stake for his conviction, and the people will love him for it. That love is worth more than the ballots which elected him to office. The captains and the kings depart. They are forgotten. But the people cherish forever their great men, their humble men.

Folk of Missouri, plus experience, may be a big man. He has his chance to make that addition.

Bryan of Nebraska, minus free silver, would be a big man. It would embarrass him to make the subtraction.

Deneen of Illinois, plus experience, may perhaps grow, may perhaps forget to be a politician.

La Follette of Wisconsin, plus a permanently reconstructed stomach, is a big man. He will go to the stake if need be. He will not quit. And the Wisconsin idea will grow.

THE STORY OF GOVERNOR LA FOLLETTE.

WISCONSIN A STATE WHERE THE PEOPLE HAVE RESTORED REPRESENTATIVE GOVERNMENT.

By LINCOLN STEFFENS.

The story of the state of Wisconsin is the story of Governor La Follette. He is the head of the state. Not many governors are that. Most governors are simply "safe men" set up as figureheads by the System, which is the actual government that is growing up in the United States in place of the "government of the people, by the people, and for the people, which shall not perish from the earth." The System, as we have found it, is a reorganization of the political and financial powers of the state which, for boodle of one sort or another, the leading politicians of both parties conduct the government in the interest of those leading businesses which seek special privileges and pay for them with bribes and the "moral" support of graft. And a "safe man" is a man who takes his ease, honors and orderes, lets the boss reign, and makes no trouble for the System.

There is trouble in Wisconsin. Bounded on the east by Lake Michigan, on the north by Lake Superior, on the west by the Mississippi River, Wisconsin is a convenient, rich and beautiful state. New England lumbermen stripped fortunes of forest off of it, and, uncovering a fat soil watered by a thousand lakes and streams, settlers poured in from Northwestern Europe and made this new Northwest ripen into dairy farms and counties of golden wheat. From the beginning Wisconsin has paid, nor is there now any material depression or financial distress in the state. Yet there is trouble in Wisconsin. What is the matter? I asked a few hundred people out there to ex-

plain it, and though some of them smiled and others frowned, all gave substantially one answer: "La Folletteism." They blame one man.

THE STORY OF "BOB" LA FOLLETTE.

Robert Marion La Follette was born on a farm in Dane county, Wisconsin, June 14th, 1855. His father was a Kentucky bred French Huguenot; his mother was Scotch-Irish. When the boy was eight months old the father died, leaving the mother and four children, and, at the age of fourteen, "Little Bob," as his followers still call him, became the head of the family. He worked the farm until he was nineteen years old, then sold it and moved the family to Madison, the county seat and capital of the state. If, with this humble start, La Follette had gone into business, his talents might have made him a captain of industry; and then, no matter how he won it, his success would have made him an inspiration for youth. But he made a mistake. He entered the state university with the class of '79. Even so, he might have got over his college education, but his father's French blood (perhaps) stirred to sentiment and the boy thrilled for glory. He had a bent for oratory. In those days debates ranked in the western colleges where football does now, and "Bob" La Follette won, in his senior year, all the oratorical contests, home, state, and interstate. His interstate oration was on Iago, and his round actor's head was turned to the stage, till John McCullough advised him that his short stature was against that career. Also, he says, his debts chained him to the earth. He had to go to work, and he went to work in a law office. In five months he was admitted to the bar, and in February, 1880, he opened an office and began to practice. A year or so later the young lawyer was running for an office.

"They" say in Wisconsin that La Follette is ambitious; that he cannot be happy in private life; that, an actor born, he has to be on the stage. I should say that a man who can move men, as La Follette can, would seek a career where he could enjoy the visible effect of his eloquence. But suppose "they" are right and the man is vain;—I don't care. Do you? I have

noticed that a public official who steals, or, like Lieutenant-Governor Lee, of Missouri, betrays his constituents, may propose to be governor, without being accused of ambition. "They" seem to think a boodler's aspirations are natural. He may have a hundred notorious vices; they do not matter. But a "reformer," a man who wants to serve his people, he must be a white-robed, spotless angel, or "they" will whisper that he is—what? A thief? Oh, no; that is nothing; but that he is ambitious. This is the System at work. It was the System in Missouri that, after spending in vain thousands of dollars to "get something on Folk," passed about the damning rumor that he was ambitious. And so in Wisconsin, "they" will take you into a back room and warn you that La Follette is ambitious. I asked if he was dishonest. Oh dear, no. Not that. Not a man in the state, not the bitterest foe of his that I saw, questioned La Follette's personal integrity. So I answered that we wanted men of ambition; that if we could get men to serve us in public life, not for graft, not for money, but for ambition's sake, we should make a great step forward.

Mr. La Follette has ambition. He confessed as much to me, but he is after a job, not an office; Governor La Follette's ambition is higher and harder to achieve than any office in the land.

A POLITICIAN AND HIS FIRST OFFICE.

The first office he sought was that of district attorney of Dane county, and, though his enemies declare that the man is a radical and was from the start a radical, I gathered from this same source that his only idea at this time was to "pose" before juries "and win cases." Mr. La Follette married in this year (a classmate) and he says he thought of the small but regular salary of the district attorney. However this may be, he won the office and he won his cases, so he earned his salary. District Attorney La Follette made an excellent record. That is freely admitted, but my attention was called to the manner of his entrance into politics, as proof of another charge that is made against him in Wisconsin. "They" say that La Follette is a politician.

"They" say in Missouri that Folk is a politician. "They"

say in Illinois that Deneen is a politician. "They" say in the United States that President Roosevelt is a politicitn. "They" are right. These men are politicians. But what of it? We have blamed our politicians so long for the corruption of our politics that they themselves seem to have been convinced that a politician is necessarily and inherently bad. He isn't, of course. Only a bad politician is bad, and we have been discovering in our studies of graft that a bad business man is worse. To succeed in reform, a man has to understand politics and play the game, or the bad business man will catch him and then, what will he be? He will be an "impracticable reformer," and that, we all know, is awful.

RUNNING AROUND THE RING.

"Bob" La Follette is a politician. Irish, as well as French, he was born a master of the game and he did indeed prove his genius in that first campaign. Single-handed, he beat the System. Not that he realized then that there was such a thing. All the young candidate knew when he began was that E. W. Keyes, the postmaster at Madison, was the republican state boss, and, of course, absolute master of Dane county, where he lived. La Follette was a republican, but he had no claim of machine service to the office he wanted, and he felt that Boss Keyes and Philip L. Spooner, the local leader, would be against him, so he went to work quietly. He made an issue: La Follette always has an issue. It had been the practice of district attorneys to have assistants at the county's expense, and La Follette promised, if elected, to do all his own work. With this promise he and his friends canvassed the county, house by house, farm by farm, and, partly because they were busy by day, partly because they had to proceed secretly, much of this politics was done at night. The scandal of such "underhand methods" is an offense to this day to the men who were beaten by them. Mr. "Phil" Spooner (the Senators' brother) speaks with contempt of La Follette's "night riders." He says the La Follette workers went about on horseback after dark and that he used to hear them gallop up to their leader's house late at night. Of course he knows now that they were coming

to report and plot, but he didn't know it then. And Boss Keyes, who is still postmaster at Madison, told me that he had no inkling of the conspiracy till the convention turned up with the delegates nearly all instructed for La Follette for district attorney. Then it was too late to do anything.

Boss Keyes thought this showed another defect in the character of La Follette. "They" say in Wisconsin that the governor is "selfish, dictatorial, and will not consult." "They" said that about Folk in Missouri, when he refused to appoint assistants dictated by Boss Butler. Wall Street said it about Roosevelt when he refused to counsel with Morgan upon the advisability of bringing the Northern Securities case, but the west likes that in Roosevelt. The west said it about Parker when he sent his gold telegram to the democratic national convention, but the east likes that in Parker. There must be something back of this charge, and a boss should be able to explain it. Boss Keyes cleared it up for me. He said that at the time "Bob" was running for district attorney, "a few of us here were—well, we were managing the party and we were usually consulted about—about things generally. But La Follette, he went ahead on his own hook, and never said a word to—well, to me or any of us." So it's not a matter of dictation, but of who dictates, and what. In the case of La Follette, his dictatorial selfishness consisted in this, that he "saw" the people of the county and the delegates, not "us," not the System. No wonder he was elected. What is more, he was re-elected; he kept his promises, and, the second time he ran, La Follette was the only republican elected on the county ticket.

During the two terms of District Attorney La Follette, important changes were occurring in the Wisconsin state system beyond his ken. Boss Keyes was deposed and Philetus Sawyer became the head of the state. This does not mean that Sawyer was elected governor; we have nothing to do with governors yet. Sawyer was a United States senator. While Keyes was boss, the head of the state was in the postoffice at Madison, and it represented, not the people, but the big business interests of the state, principally lumber and the railways, which worked well together and with Keyes. There were several scandals during this "good fellow's" long reign, but big busi-

ness had no complaint to make against him. The big graft in the Northwestern state, however, was lumber, and the typical way of getting hold of it wholesale, was for the United States to make to the state grants which the state passed on to railway companies to help "develop the resources of the state." Railroad men were in lumber companies, just as lumber men were in the railway companies, so the railway companies sold cheap to the lumber companies, which cleared the land—for the settlers. This was business, and while it was necessary to "take care" of the legislature, the original source of business was the congress, and that was the place for the head of the System. Keyes had wished to go to the senate, but Sawyer thought he might as well go himself. He had gone, and now, when Keyes was willing to take the second seat, the business men decided that, since it was all a matter of business, they might as well take it out of politics. Thus Senator Sawyer became boss, and, since he was a lumberman, it was no more than fair that the other seat should go to the railroads. So the big business men got together and they bought the junior United States senatorship for the Honorable John C. Spooner.

SPOONER'S SENATORSHIP BOUGHT FOR HIM.

At Marinette, Wisconsin, lives today a rich old lumberman, Isaac Stephenson. He was associated for years with Senator Sawyer and the other enemies of the republic in Wisconsin, and he left them because they balked an ambition of his. Having gone over, however, he began to see things as they are, and no man today is more concerned over the dangers to business of the commercial corruption of government than this veteran who confesses that he spent a quarter of a million in politics.

Once he and Senator Sawyer were comparing notes on the cost to them of United States senatorships.

"Isaac," said Sawyer, "how much did you put in to get the legislature for Spooner that time?"

"It cost me about twenty-two thousand, Philetus. How much did you put in?"

"Why," said Sawyer, surprised, "it cost me thirty thousand. I thought it cost you thirty.

"No, it cost me thirty thousand to get it for you when you ran."

Friends of mine who are friends of Senator Spooner in Washington, besought me, when they heard I was going to Wisconsin, to "remember that Spooner is a most useful man in the senate," and I know and shall not forget that. Able, deliberate, resourceful, wise, I believe Senator Spooner comes about as near as any man we have in that august chamber today to statesmanship, and I understand he loathes many of the practices of politics. But the question to ask about a representative is, what does he represent?

Senator Spooner, at home, represented the railroads of his state. He served a term in the Wisconsin assembly, and he served the railroads there. After that he served them as a lobbyist. I do not mean that he went to Madison now and then to make arguments for his client. Mr. Spooner spent the session there. Nor do I mean to say that he paid bribes to legislators; there are honest lobbyists. But I do say that Mr. Spooner peddled passes, and any railroad man or any grafter will tell you that this is a cheap but most effective form of legislative corruption. United States Senator Spooner, then, is a product, a flower, perhaps, but none the less he is a growth out of the System, the System which is fighting Governor La Follette.

The System was fighting La Follete 'way back in those days, but the young orator did not know it. He was running for congress. So far as I can make out, he was seeking only more glory for his French blood and a wider field to shine in, but he went after his French satisfaction in a Scotch-Irish fashion. Boss Keyes told me about it. Keyes had been reduced to the control of his congressional district, and, as he said, "We had it arranged to nominate another man. The place did not belong to Dane county. It was another county's turn, but Bob didn't consult us." Bob was consulting his constituents again, and his night riders were out. The System heard of it earlier than in the district attorney campaign, and Keyes and Phil Spooner and the other leaders were angry. Keyes did want to rule that congressional district; it was all he had, and Phil Spooner (who was now the head of the street railway system

of Madison) sensed the danger in this self-reliant young candidate.

"What's this I hear about you being a candidate for Congress?" he said to La Follette one day. "Don't you know nobody can go to congress without our approval? You're a fool."

But La Follette's men were working, and they carried all except three caucuses (primaries that are something like town meetings) against the ring. The ring bolted, but the people elected him; the people sent La Follette to congress at the same time they elected the legislators that sent John C. Spooner to the United States senate.

THE SYSTEM AT WASHINGTON.

When La Follette had been in Washington a few weeks, Senator Sawyer found him out and became "like a father" to him. "Our boy" he called him, for La Follette was the "youngest member." The genial old lumberman took him about and introduced him to the heads of departments and finally, one day, asked him what committee he would like to go on. La Follette said he would prefer some committee where his practice in the law might make him useful, and Sawyer though "Public Lands" would about do. He would "fix it." Thus the System was coming after him, but it held back; there must have been a second thought. For the speaker put La Follette not on "Public Lands," but on "Indian Affairs."

The governor today will tell you with a relish that he was so green then that he began to "read up on Indians"; he read especially Boston literature on the subject, and he thought of the speeches he could make on Indian wrongs and rights. But there was no chance for an orator. The committee worked and "our boy" read bills. Most of these bills were hard reading and didn't mean much when read. But by and by one came along that was "so full of holes that," as the governor says, "even I could see through it." It provided for a sale of pine on the Menominee reservation in Wisconsin. Mr. La Follette took it to the (Cleveland's) Commissioner of Indian Affairs, and this official said he thought it "a little the worst bill

of the kind that I have ever seen. Where did it come from?'' They looked and they saw that it had been introduced by the member from Oshkosh (Sawyer's home district). None the less, Mr. La Follette wanted a report and the commissioner said he could have one if he would sit down and write for it. The report so riddled the bill that it lay dead in the committee. One day the congressman who introduced it asked about it.

''Bob, why don't you report my bill?'' he asked.

''Bill,'' said Bob, ''did you write that bill?''

''Why?''

''It's a steal.''

''Let it die then. Don't report it. I introduced it because Sawyer asked me to. He introduced it in the senate and it is through their committee.''

Sawyer never mentioned the bill, and the incident was dropped with the bill. Some time after, however, a similar incident occurred, and this time Sawyer did mention it. The Indian Affairs committee was having read, at the rate of two hours a day, a long bill to open the big Sioux Indian reservation in Dakota, by selling some eleven million acres right through the center. It was said to be a measure most important to South Dakota, and no one objected to anything till the clerk droned out a provision to ratify an agreement between the Indians and certain railroads about a right of way and some most liberal grants of land for terminal town sites. La Follette interrupted and he began to talk about United States statutes which provided not so generously, yet amply, for land grants to railways, when a congressman from a neighboring state leaned over and said:

''Bob, don't you see that those are your home corporations?''

Bob said he saw, and he was willing to grant all the land needed for railway purposes, but none for town site schemes. When the committee rose, and La Follette returned to his seat in the house, a page told him Senator Sawyer wanted to see him. He went out and the senator talked to him for an hour in a most fatherly way, with not a word concerning the Sioux bill till they were about to separate. Then, quite by the way, he said:

"Oh, say, when that Sioux Injun bill comes up there's a little provision in it for our folks which I wish you would look after."

La Follette said the bill was up then, that they had reached the "little provision for our folks," and that he was opposing it.

"Why, is that so?" said Sawyer. "Let's sit down and—" they had another hour, on town sites. It was no use, however. La Follette wouldn't "consult." Sawyer gave up reasoning with him, but he didn't give up "the little provision." Political force was applied, but not by the senior senator. The System had other agents for such work.

HENRY C. PAYNE'S PART IN THE SYSTEM.

Henry C. Payne arrived on the scene. Payne was chairman of the republican state central committee of Wisconsin, and we have seen in other states what the legislative functions of that office are. Payne reached Washington forty-eight hours after La Follette's balk, and he went at him hard. All sorts of influence were brought to bear, and when La Follette held out, Payne became so angry that he expressed himself—and the spirit of the System—in public. To a group in the Ebbitt House he said:

"La Follette is a damned fool. If he thinks he can buck a railroad with five thousand miles of continuous line, he'll find he's mistaken. We'll take care of him when the time comes."

The state machine fought the congressman in his own district, and so did Keyes and the "old regency" at Madison, but La Follette, the politician, had insisted upon a congressman's patronage, all of it, and he had used it to strengthen himself at home. La Follette served three terms in congress, and when he was defeated in 1890, for the fourth, he went down with the whole party in Wisconsin. This complete overthrow of the republicans was due to two causes, the McKinley tariff (which La Follette on the Ways and Means Committee helped to frame) and a piece of state school legislation which angered the foreign and Catholic voters. We need not go into this, and the democratic administration which resulted bears only indirectly on our story.

One of the great grafts of Wisconsin (and of many another state) was the public funds in the keeping of the state treasurer. The republicans, for years, had deposited these moneys in banks that stood in with the System, and the treasurer shared with these institutions the interest and profits. He, in turn, "divided up" with the campaign fund and the party leaders. The democrats were pledged to break up this practice and sue the ex-treasurers. Now these treasurers were not all "good" for the money, and when the suits were brought, as they were in earnest, the treasurers' bondsmen were the real defendants. Chief among these was Senator Sawyer, the boss who had chosen the treasurers and backed them and the practice for years. Sawyer was alarmed. It was estimated that there had been $30,000 a year in the graft alone, and the attorney-general was going back twenty years, and his suits were for the recovery of all the back interest. Several hundred thousand dollars were at stake. And the judge before whom the cases were to be tried was Robert J. Siebecker, brother-in-law and former law partner of Robert M. La Follette.

One day in September, 1891, La Follette received from Sawyer a letter asking for a meeting in the Plankington Hotel, Milwaukee. The letter had been folded first with the letter head on, then this was cut off and the sheet refolded; and, as if secrecy was important, the answer suggested by Sawyer was to be the one word "yes" by wire. La Follette wired "yes," and the two men met. There are two accounts of what occurred. La Follette said Sawyer began the interview with the remark that "nobody knows that I'm to meet you today"; he spoke of the treasury case and pulled out and held before the young lawyer a thick roll of bills. Sawyer's subsequent explanation was that he proposed only to retain La Follette, who, however, insists that Sawyer offered him a cash bribe for his influence with Judge Siebecker.

Since Sawyer is dead now, we would better not try to decide between the two men on this particular case, but there is no doubt of one general truth: that Philetus Sawyer was the typical captain of industry in politics; he debauched the politics of his state with money. Old Boss Keyes was bad enough, but his methods were political—patronage, deals, etc., and he made

the government represent special interests. But when the millionaire lumberman took charge, he came with money; with money he beat Keyes; and money, his and his friends', was the power in the politics of his régime.

His known methods caused no great scandal so long as they were confined to conventions and the legislature, but the courts of Wisconsin had the confidence of the state, and the approach of money to them made people angry. And the story was out. La Follette, after consultation with his friends, told Judge Siebecker what had happened, and the judge declined to hear the case. His withdrawal aroused curiosity and rather sensational conjectures. Sawyer denied one of these, and his account seeming to call for a statement from La Follette, the young lawyer told his story. Sawyer denied it and everybody took sides. The cases were tried, the state won, but the republican legislature, pledged though it was to recover in full, compromised. So the System saved its boss.

But the System had raised up an enemy worthy of all its power. La Follette was against it. "They" say in Wisconsin that he is against the railroads, that he "hates" corporate wealth. It is true the bitterest fights he has led have been for so-called anti-railroad laws, but "they" forget that his original quarrel was with Sawyer and that, if hatred was his impulse, it probably grew out of the treasury case "insult." My understanding of the state of mind is that before that incident, La Follette thought only of continuing his congressional career. After it, he was for anything to break up the old Sawyer machine. Anyhow, he told me that, after the Sawyer meeting, he made up his mind to stay home and break up the System in Wisconsin. And La Follette did not originate all that legislation. Wisconsin is one of the four original granger states. There seems to have been always some discontent with the abuse of the power of the railways, their corrupting influence, and their escape from just taxation. So far as I can make out, however, some of the modern measures labeled La Folletteism, sprang from the head of a certain lean, clean Vermont farmer, who came to the legislature from Knapp, Wisconsin. I went to Knapp. It was a long way around for me, but it paid, for now I can say that I know A. R. Hall. He is a man. I have

seen in my day some seventeen men, real men, and none of them is simpler, truer, braver than this ex-leader of the Wisconsin assembly; none thinks he is more of a failure and none is more of a success.

When La Follette began his open fight against the System in 1894, he took up the issues of inequalities in taxation, machine politics and primary elections.

In 1894 La Follette carried his issues to the state convention with a candidate for governor, Nils P. Haugen, a Norse-American who had served in congress and as a state railroad commissioner. La Follette and his followers turned up with one-third of the delegates. The regulars, or "Stalwarts," as they afterwards were called, were divided, but Sawyer, declaring it was anybody to beat La Follette, managed a combination on W. H. Upham, a lumberman, and Haugen was beaten. Hall was there, by the way, with an anti-pass plank, and Hall also was beaten.

APPEALING TO THE VOTERS DIRECT.

The contest served only to draw a line between the La Follette "Halfbreeds" and the "Stalwarts," and both factions went to work on their organizations. Upham was elected, and the Stalwarts, who had been living on federal patronage, now had the state. They rebuilt their state machine. La Follette, with no patronage, continued to organize, and his method was that which he had applied so successfully in his early independent fights for district attorney and congressman. He went straight to the voters.

"They" say in Wisconsin that La Follette is a demagogue, and if it is demagogy to go thus straight to the voters, then "they" are right. But then Folk is a demagogue and so are all thorough-going reformers. La Follette from the beginning has asked, not the bosses, but the people for what he wanted, and after 1894 he simply broadened his field and redoubled his efforts. He circularized the state, he made speeches every chance he got, and if the test of demagogy is the tone and style of a man's speeches, La Follette is the opposite of a demagogue. Capable of fierce invective, his oratory is impersonal;

passionate and emotional himself, his speeches are temperate. Some of them are so loaded with facts and such closely knit arguments, that they demand careful reading, and their effect is traced to his delivery, which is forceful, emphatic and fascinating. His earnestness carries the conviction of sincerity, and the conviction of his honesty of purpose he has planted all over the state by his Halfbreed methods.

What were the methods of the Sawyer-Payne-Spooner republicans? In 1896 the next governor of Wisconsin had to be chosen. The republicans could not run Governor Upham again. As often happens to "safe men," the System had used him up; his appointments had built up the machine, his approval had sealed the compromise of the treasury cases. Some one else must run. To pick out his successor, the Stalwart leaders held a meeting at St. Louis, where they were attending a national convention, and they chose for governor Edward W. Scofield. There was no demagogy about that.

LA FOLLETTE BEATEN WITH MONEY.

La Follette wished to run himself; he hoped to run and win while Sawyer lived, and he was holding meetings, too. But his meetings were held all over the state, with voters and delegates, and he was making headway. Lest he might fall short, however, La Follette made a political bargain. He confesses it, and calls it a political sin, but he thinks the retribution which came swift and hard was expiation. He made a deal with Emil Baensch, by which both should canvass the state for delegates, with the understanding that whichever of the two should develop the greatest strength was to have both delegations. La Follette says he came into convention with enough delegates of his own to nominate him, and Baensch had 75 or so besides. The convention adjourned over night without nominating and the next morning La Follette was beaten. He had lost some of his own delegates, and Baensch's went to Scofield.

La Follette's lost delegates were bought. How the Baensch delegates were secured, I don't know, but Baensch was not a man to sell for money. It was reported to La Follette during the night that Baensch was going over, and La Follette wrestled

with and thought he had won him back, till the morning balloting showed. As for the rest, the facts are ample to make plain the methods of the old ring. Sawyer was there; and there was a "barrel." I saw men who saw money on a table in the room in the Pfister Hotel, where delegates went in and out, and newspaper men present at the time told me the story in great detail. But there is better evidence than this. Men to whom bribes were offered reported to their leader that night. The first warning came from Captain John T. Rice, of Racine, who (as Governor La Follette recalls) said: "I have been with the old crowd all my life and I thought I knew the worst, but they have no right to ask me to do what they did tonight. I won't tell you who, but the head of the whole business asked me to name my price for turning over the Union Grove delegation from you to Scofield." There are many such personal statements, some of them giving prices—cash, and federal and state offices—and some giving the names of the bribery agents. The Halfbreed leaders tried to catch the bribers with witnesses, but failed, and at midnight Charles F. Pfister, a Milwaukee Stalwart leader, called on La Follette, who repeated to me what he said:

"La Follette, we've got you beaten. We've got your delegates. It won't do you any good to squeal, and if you'll behave yourself we'll take care of you."

So La Follette had to go on with his fight. He would not "behave." His followers wanted him to lead an independent movement for governor; he wouldn't do that, but he made up his mind to lead a movement for reform within the party, and his experience with corrupted delegates set him to thinking about methods of nomination. The System loomed large with the growth of corporate wealth, the power of huge consolidations over the individual and the unscrupulous use of both money and power. Democracy was passing, and yet the people were sound. Their delegates at home were representatives, but shipped on passes to Milwaukee, treated, "entertained" and bribed, they ceased to represent. The most important reform was to get the nomination back among the voters themselves. Thus La Follette, out of his own experience, took up this issue—direct primary nominations by the Australian ballot.

STALWARTS TAKE LA FOLLETTE'S PLATFORM.

During the next two years La Follette made a propaganda with this issue and railroad taxation, the taxation of other corporations—express and sleeping car companies which paid nothing—and the evils of a corrupt machine that stood for corrupting capital. He sent out circulars and literature, some of it the careful writings of scientific authors, but, most effective of all, were the speeches he made at the county fairs. When the time for the next republican state convention came around in 1898, he held a conference with some thirty of his leaders in Milwaukee, and he urged a campaign for their platform alone, with no candidate. The others insisted that La Follette run, and they were right in principle. As the event proved, the Stalwarts were not afraid of a platform, if they could be in office to make and carry out the laws. La Follette ran for the nomination and was beaten—by the same methods that were employed against him in '96; cost (insider's estimate), $8,000. Scofield was renominated.

But the La Follette-Hall platform was adopted—anti-pass, corporation taxation, primary election reform, and all. "They" say now in Wisconsin that La Follette is too practical; that he has adopted machine methods, etc. During 1896, 1897 and 1898 they were saying he was an impracticable reformer, and yet here they were adopting his impracticable theories. And they enacted some of these reforms. The agitation (for La Follette is indeed an "agitator") made necessary some compliance with public demand and platform promises, so Hall got his anti-pass law at last; a commission to investigate taxation was appointed, and there was some other good legislation. Yet, as Mr. Hall says, "In effect, that platform was repudiated." The railway commission reported that the larger companies, the Chicago, Milwaukee & St. Paul and the Northwestern, respectively, did not pay their proportionate share of the taxes, and a bill was introduced by Hall to raise the assessment. It passed the house, but the senate had and has a "combine" like the senates of Missouri and Illinois, and the combine beat the bill.

The failures of the legislature left all questions open and La Follette and his followers continued their agitation. Mean-

while Senator Sawyer died, and when the next governmental election (1900) approached, all hope of beating La Follette was gone. The Stalwarts began to come to him with offers of support. One of the first to surrender was J. W. Babcock, congresman and national politician. Others followed, but not John C. Spooner, Payne and Pfister, not yet. They brought out for the nomination John M. Whitehead, a state senator with a clean reputation and a good record. But in May (1900) La Follette announced his candidacy on a ringing platform, and he went campaigning down into the strongest Stalwart counties. He carried enough of them to take the heart out of the old ring. All other candidates withdrew and Senator Spooner, who is a timid man, wrote a letter which, in view of his subsequent stand for re-election, is a remarkable document; it declared that he was unalterably determined not to run again for the senate. La Follette was nominated unanimously, and his own platform was adopted. The victory was complete. Though the implacable Stalwarts supported the democratic candidate, La Follette was elected by 102,000 plurality.

VICTORY, THE BEGINNING OF WAR.

Victory for reform is often defeat, and this triumph of La Follette, apparently so complete, was but the beginning of the greatest fight of all in Wisconsin, the fight that is being waged out there now. Governor La Follette was inaugurated January 7, 1901. The legislature was overwhelmingly republican and apparently there was perfect harmony in the party. The governor believed there was. The Stalwart-Halfbreed lines were not sharply drawn. The Halfbreeds counted a majority, especially in the house, and A. R. Hall was the "logical" candidate for speaker. It was understood that he coveted the honor, but he proposed and it was decided that, in the interest of peace and fair play, a Stalwart should take the chair. The governor says that the first sign he had of trouble was in the newspapers, which, the day after the organization of the legislature, reported that the Stalwarts controlled and that there would be no primary election or tax legislation. The governor, undaunted, sent in a firm message calling for the performance

of all campaign promises, and bills to carry out campaign pledges were introduced under the direction of the La Follette leaders, Hall and Judge E. Ray Stevens, the author of the primary election bill. These developed the opposition. There were two (alternative) railway tax bills; others to tax corporations; and, later, a primary election bill—nothing that was not promised by a harmonious party, yet the outcry was startling and the fight that followed was furious. Why?

LA FOLLETTE AND THE RAILROADS.

I have seen enough of the System to believe that that is the way it works. I believe just such opposition, with just such cries of "boss," "dictator," etc., will arise against Folk when he is governor, and possibly against Deneen. And I believe they will find their legislatures organized and corrupted against them. But in the case of La Follette there was a "misunderstanding." In the year (1900) when everything was La Follette, Congressman Babcock, Postmaster-General Payne and others sought to bring together the great ruling special interests and the inevitable governor. Governor La Follette said, like President Roosevelt, that he would represent the corporations of his state, just as he would represent all other interests and persons; but no more. He would be "fair." Well, that was "all we want," they said, and the way seemed smooth. It was like the incident in St. Louis where Folk told the boodlers he would "do his duty," and the boodlers answered, "Of course, old man."

But some railroad men say La Follette promised in writing to consult with them before bringing in railroad bills; there was a certain famous letter written in the spring of 1900 to Thomas H. Gill, an old friend of the governor, who is counsel to the Wisconsin Central Railroad; this letter put the governor on record. Everywhere I went I heard of this document, and though the noise of it had resounded through the state for four years, it had never been produced. Here it is:

MADISON, WIS., May 12th, 1900.

DEAR TOM:

You have been my personal and political friend for twenty years. Should I become a candidate for the nomination for

governor, I want your continued support, if you can consistently accord it to me. But you are the attorney for the Wisconsin Central R. R. Co., and I am not willing that you should be placed in any position where you could be subjected to any criticism or embarrassment with your employers on my account. For this reason, I desire to state to you in so far as I am able my position in relation to the question of railway taxation, which has now become one of public interest, and is likely to so continue until rightly settled. This I can do in a very few words.

Railroad corporations should pay neither more nor less than a justly proportionate share of taxes with the other taxable property of the state. If I were in a position to pass officially upon a bill to change existing law, it would be my first care to know whether the rate therein proposed was just in proportion to the property of other corporations and individuals as then taxed, or as therein proposed to be taxed. The determination of that question would be controlling. If such rate was less than the justly proportionate share which should be borne by the railroads, then I should favor increasing it to make it justly proportionate. If the proposed rate was more than the justly proportionate share, in comparison with the property of other corporations, and of individuals taxed under the law, then I should favor decreasing to make it justly proportionate.

In other words, I would favor equal and exact justice to each individual and to every interest, yielding neither to clamor on the one hand, nor being swerved from the straight course by any interest upon the other. This position, I am sure, is the only one which could commend itself to you, and cannot be criticised by any legitimate business honestly managed.

Sincerely yours,

The Mr. Gill to whom this letter was addressed is one of the most enlightened and fair-minded corporation lawyers that I ever met, even in the west, where corporation men also are enlightened. He convinced me that he and the other railroad men really did expect more consideration than the governor gave them, and so there may have been a genuine misunderstanding. But after what I have seen in Chicago, St. Louis and Pittsburg, and in Missouri and Illinois and the United States, I am almost persuaded that no honest official in power can meet the expectations of great corporations; they have been spoiled, like bad American children, and are ever ready to resort to corruption and force. That was their recourse now.

Governor La Follette says he learned afterward that during the campaign the old, corrupt ring went about in the legislative districts, picking and "fixing" legislators, and that the plan was to discredit him with defeat by organizing the legislature against him. However this may be, it is certain that when his bills were under way, there was a rush to the lobby at Madison. The regular lobbyists were reinforced with special agents; local Stalwart leaders were sent for and federal office holders; United States senators hurried home, and congressmen and boodle, federal patronage, force and vice were employed to defeat bills promised in the platform. Here is a statement by Irvine L. Lenroot, now the speaker of the assembly. He says:

OFFICIAL DESCRIPTION OF THE LOBBY.

"From the first day of the session the lobbyists were on the ground in force, offering courtesies and entertainments of various kinds to the members. Bribery is a hard word, a charge, which never should be made unless it can be substantiated. The writer has no personal knowledge of money being actually offered or received for votes against the bill. It was, however, generally understood in the assembly that any member favoring the bill could better his financial condition if he was willing to vote against it. Members were approached by representatives of the companies and offered lucrative positions. This may not have been done with any idea of influencing votes. The reader will draw his own conclusions. It was a matter of common knowledge that railroad mileage could be procured if a member was 'right.' Railroad lands could be purchased very cheaply by members of the legislature. It was said if a member got into a poker game with a lobbyist, the member was sure to win. Members opposed to Governor La Follette were urged to vote against the bill, because he wanted it to pass. A prominent member stated that he did not dare to vote for the bill, because he was at the mercy of the railroad companies, and he was afraid they would ruin his business by advancing his rates, if he voted for it."

I went to Superior and saw Mr. Lenroot, and he told me

that one of the "members approached by representatives of the companies and offered positions," was himself. He gave his bribery stories in detail, and enabled me to run down and verify others; but the sentence that interested me most in his statement was the last. The member who did not dare vote for the railway tax bill, lest the railways raise the freight on his goods and ruin his business, confessed to Governor La Follette and others. Another member stated that in return for his treason to his constituents, a railroad quoted him a rate that would give him an advantage over his competitors.

Well, these methods succeeded. The policy of the administration was not carried out. Some good bills passed, but the session was a failure. Not content with this triumph, however, the System went to work to beat La Follette, and to accomplish this end, La Follette's methods were adopted, or, rather, adapted. A systematic appeal was to be made to public opinion. A meeting of the leading Stalwarts was held in the eleventh story of an office building in Milwaukee, and a permanent republican league of the state of Wisconsin was organized. This became known as the "Eleventh Story League." A manifesto was put out "viewing with alarm the encroachments of the executive upon the legislative branch of the government," etc., etc. (The encroachments of boodle business upon all branches of the government is all right.) An army of canvassers was dispatched over the state to interview personally every voter in the state and leave with him books and pamphlets. Now this was democratic and fair, but that league did one thing which is enough alone to condemn the whole movement. It corrupted part of the country press. This is not hearsay. The charge was made at the time these papers swung suddenly around, and the league said it did not bribe the editors; it "paid for space for league editorial matter, and for copies of the paper to be circulated." This is bribery, as any newspaper man knows. But there was also what even the league business man would call bribery; newspaper men all over the state told me about direct purchase—and cheap, too. It is sickening, but, for final evidence, I saw affidavits, published in Wisconsin, by newspaper men, who were approached with offers which they refused, and by others who

sold out, then threw up their contracts and returned the bribes, for shame or other reasons.

These "democratic" methods failed. When the time arrived for the next republican state convention, the Stalwarts found that the people had sent up delegates instructed for La Follette, and he was nominated for a second term. What could the Stalwarts do? They weren't even "regular" now. La Follette had the party, they had only the federal patronage and the Big Business System. But the System had resources. Wherever a municipal reform movement has hewed to the line, the leaders of it, like Folk and the Chicago reformers, have seen the forces of corruption retire from one party to the other and from the city to the state. This Wisconsin movement for state reform now had a similar experience. The Wisconsin System, driven out of the republican, went over to the democratic party; that had not been reformed; beaten out of power in the state, it retreated to the towns; they had not been reformed.

THE SYSTEM IN THE TOWNS.

The System in many of the Wisconsin municipalities was intact. There had been no serious municipal reform movements anywhere, and the citizens of Milwaukee, Oshkosh, Green Bay, etc., were prettty well satisfied, and they are still, apparently. "We're nothing like Minneapolis, St. Louis, and the rest," they told me with American complacency. Green Bay was exactly like Minneapolis; we know it because the wretched little place has been exposed since. And Marinette and Oshkosh, unexposed, are said by insiders to be "just like Green Bay." As for Milwaukee, that is St. Louis over again.

District Attorney Bennett has had grand juries at work in Milwaukee since 1901, and he has some 42 persons indicted—12 aldermen, 10 supervisors, 9 other officials, 1 state senator, and 10 citizens; four convictions and three pleas of guilty. The grafting so far exposed is petty, but the evidence in hand indicates a highly perfected boodle system. The republicans had the county, the democrats the city, and both the council and the board of supervisors had combines which grafted on contracts, public institutions, franchises, and other business

privileges. The corrupt connection of business and politics was shown; the informants were merchants and contractors, mostly small men, who confessed to bribery. The biggest caught so far is Colonel Pabst, the brewer, who paid a check for $1,500 for leave to break a building law. But all signs point higher than beer, to more "legitimate" political business. As in Chicago, a bank is the center of this graft, and public utility companies are back of it. The politicians in the boards of management, now or formerly, show that. It is a bi-partizan system all through. Henry C. Payne, while chairman of the republican state central committee, and E. C. Wall (the man the Wisconsin democracy offered the national democratic convention for president of the United States), while chairman of the democratic state central committee, engineered a consolidation of Milwaukee street railway and electric lighting companies, and, when the job was done, Payne became manager of the street railway, Wall of the light comapny. But this was "business." There was no scandal about it.

The great scandal of Milwaukee was the extension of street railway franchises, and the men who put that through were Charles F. Pfister, the Stalwart republican boss, and David S. Rose, the Stalwart democratic mayor. Money was paid: the extension was boodled through. The Milwaukee *Sentinel* reprinted a paragraph saying Pfister, among others, did the bribing, and thus it happened that the Stalwarts got that paper. Pfister sued for libel, but when the editors (now on the Milwaukee *Free Press*) made answer that their defense would be proof of the charge, the millionaire traction man bought the paper and its evidence too. It is no more than fair to add—as Milwaukee newspaper men always do (with delight)—that the paper had very little evidence, not nearly so much as Pfister seemed to think it had. As for Mayor Rose, his friends declare that he has told them, personally and convincingly, that he got not one cent for his service. But that is not the point. Mayor Rose fought to secure for special interests a concession which sacrificed the common interests of the city. I am aware that he defends the terms of the grants as fair, and they would seem so in the east, but the west is intelligent on special privileges, and Mayor Rose lost to Milwaukee the chance Chicago seized to settle the public utility problem. Moreover, Rose knew

that his council was corrupt before it was proven so; he told two business men that they couldn't get a privilege they sought honestly from him, without bribing aldermen. Yet he ridiculed as "hot air" an investigation which nevertheless produced evidence enough to defeat at the polls, in a self-respecting city, the head of an administration so besmirched. Milwaukee re-elected Rose; good citizens say they gave man the benefit of the doubt—the man, not the city.

But this is not the only explanation. The System was on trial with Mayor Rose in that election, and the System saved its own. The republicans, with the Rose administration exposed, had a chance to win, and they nominated a good man, Mr. Guy D. Goff. Pfister, the Stalwart republican boss, seemed to support Goff; certainly the young candidate had no suspicion to the contrary. He has now, however. When the returns came in showing that he was beaten, Mr. Goff hunted up Mr. Pfister, and he found him. Mr. Goff, the republican candidate for mayor, found Charles F. Pfister, the Stalwart republican boss, rejoicing over the drinks with the elected democratic mayor, David S. Rose.

BOTH RINGS AGAINST LA FOLLETTE.

I guess Mr. Goff knows that a bi-partizan System rules Milwaukee, and, by the same token, Governor La Follette knows there is a bi-partizan System in Wisconsin. For when Governor La Follette beat the Stalwarts in the republican state convention of 1902, those same Stalwarts combined with the democrats. Democrats told me that the republican Stalwarts dictated the "democratic" anti-La Follette platform and that Pfister, the "republican" boss, named the "safe man" chosen for the "democratic" candidate for governor to run against La Follette—said David S. Rose.

"They" say in Wisconsin that La Follette is a democrat; that "he appeals to democratic voters." He does. He admits it, but he adds that it is indeed to the democratic voters that he appeals—not to the democratic machine. And he gets democratic votes. "They" complain that he has split the republican party: he has, and he has split the democratic party too. When "they" united the two party rings of the bi-partizan

System against La Follette in 1902, he went out after the voters of both parties, and those voters combined; they beat Rose ,the two rings, and the System. The people of Wisconsin re-elected La Follette, the "unsafe," and that is why the trouble is so great in Wisconsin. The System there is down.

The defeat of Rose did not beat them. The Stalwarts still had the senate, and they manned the lobby to beat the railroad tax and the primary election bills. But Governor La Follette outplayed them at the great game. He long had been studying the scheme for a state commission to regulate railway freight rates. It was logical. If their taxes were increased the roads could take the difference out of the people by raising freight rates. Other states had such commissions, and in some of them, notably Iowa and Illinois, the rates were lower than in Wisconsin. Moreover, we all know that railroads give secret rebates and otherwise discriminate in favor of individuals and localities.

When then, the battle lines were drawn on the old bills in the legislature of 1903, the governor threw into the fight a bristling message calling for a commission to regulate railway rates. The effect was startling. "Populism," "Socialism," "they" cried, and they turned to rend this new bill. They let the tax bill go through to fight this fresh menace to "business." They held out against the primary election bill also, for, if that passed they feared the people might keep La Follette in power forever. Even that, however, they let pass finally, with an amendment for a referendum. Concentrating upon the rate commission bill, Big Business organized business men's mass meetings throughout the state, and with the help of favored or timid shippers, sent committees to Madison to protest to the legislature. Thus this bill was beaten by Business and, with the primary election referendum, is an issue in this year's campaign.

As I have tried to show, however, the fundamental issue lies deeper. The people of Wisconsin understand this. The Stalwarts dread the test at the polls. But what other appeal was there? They knew one. When the republican state convention met this year, the Stalwarts bolted; whatever the result might have been of a fight in the convention, they avoided it and held a separate convention in another hall, hired in ad-

vance. The Halfbreeds renominated La Follette; the Stalwarts put up another ticket. To the Stalwart convention came Postmaster-General Payne, United States Senators Spooner and Quarles, Stalwart congressmen and federal office holders—the federal System. The broken state System was appealing to the United States System, and the republican national convention at Chicago was to decide the case. And it did decide—for the System. I attended that convention, and heard what was said privately and honestly. The republicans who decided for Payne-Spooner-Pfister-Babcock, etc., said "La Follette isn't really a republican anyhow."

Isn't he? That is a most important question. True, he is very democratic essentially. He helped to draw the McKinley tariff law and he is standing now on the national republican platform; his democracy consists only in the belief that the citizens elected to represent the people should represent the people, not the corrupt special interests. Both parties should be democratic in that sense. But they aren't. Too often we have found both parties representing graft—big business graft. The people, especially in the west, are waking to a realization of this state of things and (taking a hint from the Big Grafters) they are following leaders who see that the way to restore government representative of the common interests of the city or state, is to restore to public opinion the control of the dominant party. The democrats of Missouri have made their party democratic; the republicans of Illinois have made their party democratic. The next to answer should be the people of Wisconsin. The Stalwarts hope the courts will decide. They hope their courts will uphold the decision of the national republican party, that they, who represent all that is big and bad in business and politics, are the regular "republicans." This isn't right. The people of Wisconsin are not radicals; they are law-abiding, conservative, and fair. They will lay great store by what their courts shall rule, but this is a question that should be left wholly to the people themselves. And they are to be trusted, for, no matter how men may differ about Governor La Follette otherwise, his long, hard fight has developed citizenship in Wisconsin—honest, reasonable, intelligent citizenship. And that is better than "business"; that is what business and government are for—men.

WISCONSIN PRIMARY ELECTION LAW

AN ACT to provide for party nominations by direct vote.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

Definition and Construction.—Section 1. The words and phrases in this act shall, unless the same be inconsistent with the context, be construed as follows:

1. The word "primary," the primary election provided for by this act;
2. The words "September primary," the primary election held in September to nominate candidates to be voted for at the ensuing general election;
3. The word "election," a general or city election, as distinguished from a primary election;
4. The words "November election," the general election held in November;
5. The word "precinct," a district established by law within which all qualified electors vote at one polling place.

This statute shall be liberally construed, so that the real will of the electors may not be defeated by any informality or failure to comply with all provisions of the law in respect to either the giving of any notice or the conducting of the primary or certifying the results thereof.

Candidates, How Nominated.—Section 2. Hereafter, all candidates for elective offices shall be nominated:

1. By a primary held in accordance with this act, or
2. By nomination papers, signed and filed as provided by existing statutes.
3. Party candidates for the office of United States senator shall be nominated in the manner provided herein for the nomination of candidates for state offices.

This act shall not apply to special elections to fill vacancies nor to the office of state superintendent, to country and district superintendents of schools, to town, village, and school district officers nor to judicial officers excepting police justices and justices of the peace in cities.

Primaries, When and Where Held.—Section 3. 1. The September primary shall be held at the regular polling places in each precinct on the first Tuesday of September, 1906, and biennially thereafter for the nomination of all candidates to be voted for at the next November election.

2. Any primary other than the September primary shall be held two weeks before the election for which such primary is held.

Notice of Primaries, How Given.—Section 4. 1. At least sixty days before the time of holding such September primary, the secretary of state shall prepare and transmit to each county, town, city and village clerk, a notice in writing designating the offices for which candidates are to be nominated, at such primary.

2. Upon receipt of such notice, such county clerk, shall, not less than ten days thereafter, publish so much thereof as may be applicable to his county, once in each week for six consecutive weeks in at least two, and not to exceed four, newspapers of general circulation published in said county.

3. Each town, village, and city clerk shall within ten days after the receipt of such notice cause notice of such primary to be posted in three public places in each precinct in his town, city, or village; such notice shall state the time when, and place where, the primary will be held in each precinct therein, together with the offices for which candidates are to be nominated.

4. In case of city elections, the city clerk shall cause one publication of such notice to be given, and shall also post such notice in three public places in each election precinct therein, such publication and posting to be not more than twenty and not less than ten days before such primary election.

5. Each county clerk shall, on the first Tuesday of June, 1906, and biennially thereafter, transmit to the secretary of state the name and post-office address of each town, city, and village clerk in his county.

Nomination Papers, How Prepared and Signed.—Section 5. 1. The name of no candidate shall be printed upon an official ballot used at any primary unless at least thirty days prior to such primary a nomination paper shall have been filed in his behalf as provided in this act in substantially the following form:

I, the undersigned, a qualified elector of (the.....precinct of the town of.....) or (the.....precinct of the.....ward of the city of.....), county of.....and state of Wisconsin, and a member of the.....party, hereby nominate..... ....., who resides (at No....on.....street, city of .....) or (in the town of.....), in the county of ....., as a candidate for the office of (here specify the office) .....to be voted for at the primary to be held on the first Tuesday of September, 19...., as representing the principle of said party, and I further declare that I intend to support the candidate named herein.

NAME OF SIGNER	(IN CITIES)		
	Street	No.	Date of Signing
.....	.....	.....	....

2. All nomination papers shall have substantially the above form written or printed at the top thereof. No signatures shall be counted unless they be upon sheets each having such form written or printed at the top thereof.

3. Each signer of a nomination paper shall sign but one such paper for the same office, and shall declare that he intends to support the candidate named therein; he shall add his residence, with street and number, if any, and the date of signing.

4. For all nominations, except state officers, all signers of each separate nomination paper shall reside in the same precinct. For state officers, all signers on each separate nomination paper shall reside in the same county. The affidavit of a qualified elector shall be appended to each such nomination paper, stating that he is personally acquainted with all persons who have signed the same, and that he knows them to be electors of that precinct or county, as the nomination papers shall require; that he knows that they signed the same with full knowledge of the contents thereof and that their respective residences are stated therein and that each signer signed the same on the date stated opposite his name, and that he, the affiant, intends to support the candidate named therein. Such affidavit shall not be made by the candidate, but each candidate shall file with the nomination paper, or papers, a declaration that he will qualify as such officer if nominated and elected.

5. Such nomination papers shall be signed.—

(a) If for a state office by at least one per cent. of the voters of the party of such candidate in at least each of six counties in the state, and in the aggregate not less than one per cent. of the total vote of his party in the state.

(b) If for a representative in congress, by at least two per cent. of the voters of his party in at least one-tenth of the election precincts in each of at least one-half of the counties of the congressional district, and in the aggregate not less than two per cent. of the total vote of his party in such district.

(c) If for an office representing less than a congressional district in area, or a county office, by at least three per cent. of the party vote in at least one-sixth of the election precincts of such district and in the aggregate not less than three per cent. of the total vote of his party in such district.

The basis of percentage in each case shall be the vote of the party for the presidential elector receiving the largest vote at the last preceding presidential election.

But any political organization which at the last preceding general election was represented on the official ballot by either regular party candidates or by individual nominees only, may, upon complying with the provisions of this act, have a separate primary election ticket as a political party, if any of its candidates or individual nominees received one per cent. of the total vote cast at the last preceding general election in the state, or subdivision thereof, in which the candidate seeks the nomination.

Nomination papers may also be filed for non-partisan candidates; such papers shall contain at least two per cent. of the total vote cast at the last

preceding general election in the state, or subdivision thereof, in which the person is a candidate, such signers to be distributed in each case as required by the provisions of this act.

Nomination Papers, Where Filed.—Section 6. All nomination papers shall be filed as follows:

1. For state officers, United States senator, representatives in congress, and those members of senate and assembly whose districts comprise more than one county, in the office of the secretary of state.
2. For officers to be voted for wholly within one county, in the office of the county clerk of such county.
3. For city officers, in the office of the city clerk.

Publication of Names of Candidates.—Section 7. At least twenty-five days before any primary preceding a general election, the secretary of state shall transmit to each county clerk a certified list containing the name and post office address of each person for whom nomination papers have been filed in his office, and entitled to be voted for at such primary, together with a designation of the office for which he is a candidate, and the party or principle he represents.

Such clerk shall forthwith upon receipt thereof publish under the proper party designation, the title of each office, the names and addresses of all persons for whom nomination papers have been filed, giving the name and address of each, the date of the primary, the hours during which the polls will be opened, and that the primary will be held at the regular polling places in each precinct.

It shall be the duty of the county clerk to publish such notice for three consecutive weeks prior to said primary.

Such clerk shall also forthwith mail copies of such notice to each town, village, and city clerk of his county, who shall immediately post copies of the same in at least three public places in each precinct in his town, village or city, designating therein the location of the polling booth in each election precinct.

Publication of Notices.—Section 8. Every publication required in this act shall be made in at least two, and not to exceed four newspapers of general circulation in such county or city, one of such newspapers shall represent the political party that cast the largest vote in such county or city at the preceding general election, and one of such newspapers shall represent the political party that cast the next largest vote in such county or city at the preceding general election.

In any case where the publication of a notice cannot be made, as hereinbefore required, it may be made in any newspaper having a general circulation in the county or city in which the notice is required to be published.

Official Ballots.—Section 9. An official ballot shall be printed and provided for use at each voting precinct in the form provided herein and annexed hereto. The names of all candidates for the respective offices, for whom the nomination papers prescribed shall have been duly filed, shall be printed thereon.

Preparation and Distribution of Ballots.—Section 10. 1. At least twenty days before the September primary each county clerk shall prepare sample official ballots, placing thereon, alphabetically, under the appropriate title of each office and party designation, the names of all candidates to be voted for in the precinct of his county, for whom nomination papers have been filed. Such sample ballot shall be printed upon tinted or colored paper and shall contain no blank endorsement or certificate.

2. Such clerk shall forthwith submit the ticket of each party to the county chairman thereof and mail a copy to each candidate for whom nomination papers have been filed with him as required by this act, to his postoffice address, as given in such nomination paper, and he shall post a copy of each sample ballot in a conspicuous place in his office.

3. On the tenth day before such primary the county clerk shall correct any errors or omissions in the ballot, cause the same to be printed and distributed as required by law in the case of ballots for the general election, except that the number of ballots to be furnished to each precinct shall be twice the number of votes cast thereat in the last preceding general election.

Expenses of Primary, How Paid.—Section 11. All ballots, blanks, and other supplies to be used at any primary, and all expenses necessarily incurred in the preparation for or conducting such primary, shall be paid out of the treasury of the city, county, or state, as the case may be, in the same manner, with like effect, and by the same officers as in the case of elections.

Conduct of Primaries—Manner of Voting.—Section 12. 1. The provisions of chapter 5, statutes of 1898, shall be applicable to the conduct of primaries where not otherwise provided. Section 47, statutes of 1898, is hereby amended so that all election officers shall be chosen or appointed in the manner therein provided, except that such choice shall be made in the month of August instead of September, as therein now provided.

2. The polls at primaries shall be open:
(a) In cities, from six o'clock in the morning until nine o'clock in the evening;
(b) In all other precincts, from eight o'clock in the morning until eight o'clock in the evening;

3. At all primaries there shall be an Australian ballot made up of the several party tickets herein provided for, all of which shall be securely fastened together at the top and folded, provided that there shall be as many separate tickets as there are parties entitled to participate in said primary election. There shall also be attached a non-partisan ticket upon which, under the appropriate title of each office shall be printed the names of all persons for whom nomination papers shall have been filed, as repuired by this act, who are not designated on such nomination papers as candidates of any political party, as defined by this act. The names of all candidates shall be arranged alphabetically according to surnames under the appropriate title of the respective offices and under the proper party designation upon the party ticket or upon the non-partisan ticket as the case may be. If any elector write upon his ticket the name of any person who is a candidate for the same office upon some other ticket than that upon which his name is so written, this ballot shall be counted for such person only as a candidate of the party upon whose ticket his name is written, and shall in no case be counted for such person as a candidate upon any other ticket. In case the person is nominated upon more than one ticket, he shall forthwith file with the proper officer, or officers in charge of the preparation of the ballots, a written declaration indicating the party designation under which his name is to be printed on the official ballot. The ballots with the endorsements shall be in substantially the form heretofore annexed, provided that ballots for any city primary may be varied as to the title of the offices to be printed thereon, so as to conform to the law under which each such primary is held. The provisions of section 51, statutes of 1898, so far as applicable shall govern the preparation of the ballot. After preparing his ballot, the elector shall detach the same from the remaining tickets and fold it so that its face will be concealed and the printed endorsements and signatures or initials thereon seen. The remaining tickets attached together shall be folded in like manner by the elector who shall thereupon, without leaving the polling place, vote the marked ballot forthwith, and deposit the remaining tickets in the separate ballot box to be marked and designated as the blank ballot box. Immediately after the canvass, the inspectors shall, without examination, destroy the tickets deposited in the blank ballot box.

Vacancies, How Filled.—Section 13. Vacancies occurring after the holding of any primary shall be filled by the party committee of the city, district, county or state as the case may be.

Voting and Registration at Primaries.—Section 14. 1. No person shall be entitled to vote at any primary unless a qualified elector of the precinct and duly registered therein, if registration thereat be required by law.

2. Every primary election day and the Monday next preceding it, shall be registration days, where registration is required, on which the inspectors shall exercise the powers prescribed by sections 25 and 26, statutes of 1898; but no person shall be registered on or after the day of holding the primary without personally appearing before the inspectors.

3. The inspectors shall register any person who shall on any registration day file an oath or affirmation to the effect that he is a qualified elector in such precinct, or when they personally know him to be such.

4. Any person registered on either of said days as prescribed herein, shall be entitled to vote at the succeeding election without other registration.

5. There shall be no other registration day or days for either a primary, a general or a city election, except that prescribed by section 27, of the statutes of 1898.

6. No voter shall be required to register under the provisions of this act where registration is not now required by law.

7. The inspectors shall be in session for the purpose of registration from nine o'clock in the morning until eight o'clock in the evening, except that on the day of holding the primary they shall be in session from six o'clock in the morning until nine o'clock in the evening. No inspector or clerk shall be paid to exceed three dollars as compensation for his services on any registration, primary, general or city election day.

Challenges.—Section 15. The party committee of each precinct may appoint in writing over their signatures, two party agents or representatives, with an alternate for each, who shall act as challengers for their respective parties, and have the power prescribed by section 46, statutes of 1898. The right of any person to vote at a primary may be challenged upon the same ground and his right to vote be determined in the same manner as at an election. The chairman of each party committee of any precinct may represent his party at the polling booth during the canvass and return of the vote at a primary, or he may appoint an agent or designate a member of his committee for that purpose.

Canvass of Votes.—Section 16. Canvass of votes cast shall, except as herein otherwise provided, be made in the same manner and by the same officers as the canvass of an election. The party chairman of the precinct in a precinct canvass, of the county in a county canvass, of the state in a state canvass, or some duly appointed agent to represent each party shall be allowed to be present and observe the proceedings.

1. The precinct inspectors of election shall, on separate sheets, on blanks to be provided for that purpose, make full and accurate returns of the votes cast for each candidate, and shall within twenty-four hours cause to be delivered one copy of such returns as to each political party, to the county chairman of that party and also cause such returns to be delivered to the county clerk, if a September primary, or to the chairman of the city committee and city clerk if a city primary, provided always that such returns shall be sent by registered mail where practicable.

2. The county canvass of the returns of the September primary shall be made by the same officers and in the same manner provided in chapter 5, statutes of 1898, for the canvass of the returns of a November election. The canvassers shall meet and canvass such returns at ten o'clock on the Friday following the September primary. Their returns shall contain the whole number of votes cast for each candidate of each political party, and a duplicate as to each political party shall be delivered to the county chairman of such party.

3. The canvassers shall also make an additional duplicate return in the same form as provided in subdivision 2, showing the votes cast for each candidate not voted for wholly within the limits of the county. The county clerk shall forthwith send to the secretary of state by registered mail one complete copy of all returns as to such candidates, and he shall likewise send to the chairman of the state central committee of each party a duplicate copy of the returns last described relating to such candidates of each such party.

State Board of Canvassers, How Constituted and Governed.—Section 17. The board of canvassers provided for by section 93, statutes of 1898, to canvass returns of a November election, shall constitute the state board of canvassers of September primaries, and all the provisions of section 94 and 94b inclusive of said statutes relating to the canvass of the return of a November election, shall, as far as applicable, apply to the canvass, return, and certification to the secretary of state of such primary. Such board shall meet at the office of the secretary of state at 10 o'clock a. m. on the third Tuesday of September next after the September primary.

Party Candidates.—Section 18. 1. The person receiving the greatest number of votes at a primary as the candidate of a party for an office, shall be the candidate of that party for such office, and his name as such candidate shall be placed on the official ballot at the following election.

2. As soon as a state canvass of a primary shall be certified to him, the secretary of state shall publish in the official state paper a certified statement of the result of such primary as to candidates for state officers, United States senators and representatives in congress, and any other candidate whose district extends beyond the limits of a single county, and shall mail to the chairman of the state central committee of each party so much of such certificate as relates to his party.

Secretary of State to Certify to County Clerks.—Section 19. 1. Not less than fourteen days before any November election the secretary of state shall certify to the county clerk of each county within which any of the electors may vote for the candidates for such offices, the name and description of each person nominated for any such office as specified in the nomination papers.

City Board of Canvassers; Quorum; Meetings, When Held.—Section 20. The canvass of the returns of a city primary shall be made by the mayor, the city clerk, and the treasurer of such city, any two of whom shall constitute a quorum. Such board of canvassers shall meet at eleven o'clock in the forenoon of the day following the city primary and canvass the vote substantially as provided by sections 82 and 83, statutes of 1898. They shall make and certify duplicate returns as to the votes cast for the candidates and forthwith certify and file one complete return with the city clerk and deliver so much of the other as relates to each party to the respective city chairman.

So far as applicable and not otherwise provided herein, the provisions of this act shall apply to all city primaries, provided that the nomination papers therefor shall be filed at least fifteen days, a list of candidate posted and published at least ten days, and the official ballot printed at least four days before the day for holding such primaries.

Party Committees.—Section 21. 1. At the September primary each voter may write in the space left on his ticket for that purpose the names of not to exceed three qualified electors of the precinct for members of his party precinct committee. The three having the highest number of votes shall constitute such committee, and the one having the largest vote shall be chairman. The official return made by the inspectors shall show the name and address of each party committeeman chosen.

2. The party committee of each city and county and of each assembly district shall consist of the party chairman of each precinct in such city, county, or district; the state senatorial district committee of the chairman of the assembly district committees in such senatorial district; the congressional committees of the party chairman of the senatorial district committees, wholly or partially, within such congressional district; the state central committee as hereinafter provided. Each such committee shall choose its officers by ballot excepting as herein provided.

3. Each committee and its officers shall have the powers usually exercised by such committees, and by the officers thereof, in so far as is consistent with this act. The various officers and committees now in existence shall exercise the powers and perform the duties herein prescribed until their successors are chosen in accordance with this act. At all meetings of said city, county and assembly district committees, each precinct chairman shall have one vote for every fifty votes, or major fraction thereof, cast by his party in his precinct at the last general election, each such chairman to have at least one vote, the vote at such general election to be determined as provided in section 5 of this act. The duties of the party precinct chairman, when he shall be unable to perform the same, shall be performed by a member of his party precinct committee designated by him. The duties of the chairman or secretary of any other committee may be performed by members of such committee, selected by such chairman or secretary. Any vacancy in any committee office shall be filled in the same manner as that in which such officer was originally chosen, except that in the case of a vacancy in the chairmanship of a precinct committee, the committee shall elect one of its members to fill such vacancy.

Party Platform.—Section 22. The candidates for the various state offices, and for senate and assembly nominated by each political party at such primary, shall meet at the capitol at twelve o'clock noon on the fourth Tuesday of September after the date on which any primary is held preliminary to any general election. They shall forthwith formulate the state platform of their party. They shall thereupon proceed to elect a state central committee of at least two members from each congressional district and a chairman of such committee, and perform such other business as may properly be brought before such meeting. The platform of each party shall be framed at such time that it shall be made public, not later than six o'clock in the afternoon of the following day.

Miscellaneous Provisions.—Section 23. 1. In case of a tie vote, the tie shall forthwith be determined by lot by the canvassers.

2. It shall be the duty of the secretary of state and attorney general, on or before July 1st, 1905, to prepare all forms necessary to carry out the provisions of this act, which forms shall be substantially followed in all primaries held in pursuance hereof. Such forms shall be printed with copies of this act for public use and distribution. Every day on which a September primary shall be held shall be a legal holiday.

The Penal Provision.—Section 24. 1. Any person who shall offer, or with knowledge of the same, permit any person to offer for his benefit any bribe to a voter to induce him to sign any election paper to any person who shall accept any such bribe or promise of gain of any kind in the nature of a bribe as cosideration for signing the same, whether such bribe or promise of gain in the nature of a bribe be offered or accepted before or after such signing, shall be guilty of a misdemeanor and upon trial and conviction thereof be punished by a fine of not less than twenty-five nor more than five hundred dollars, or by imprisonment in the county jail of not less than ten days nor more than six months, or by both fine and imprisonment.

2. Any act declared an offense by the general laws of this state concerning caucuses and elections shall also, in like case, be an offense in all primaries and shall be punished in the same form and manner as therein provided, and all the penalties and provisions of the law as to such caucuses and elections, except as herein otherwise provided, shall apply in such case with equal force, and to the same extent as though fully set forth in this act.

3. Any person who shall forge any name of a signer or witness to a nomination paper shall be deemed guilty of forgery, and on conviction punished accordingly. Any person who, being in possession of nomination papers entitled to be filed under this act, or any act of the legislature, shall wrongfully either suppress, neglect, or fail to cause the same to be filed at the proper time in the proper office shall upon conviction, be punished by imprisonment in the county jail not to exceed six months, or by a fine not to exceed five hundred dollars, or by both such fine and imprisonment in the discretion of the court.

General Election Laws to Apply.—Section 25. The provisions of the statutes now in force in relation to the holding of elections, the solicitation of voters at the polls, the challenging of voters, the manner of conducting elections, of counting the ballots and making return thereof, and all other

kindred subjects, shall apply to all primaries in so far as they are consistent with this act, the intent of this act being to place the primary under the regulation and protection of the laws now in force as to elections.

Submission of Act to Vote of People; When to Take Effect if Approved.—Section 26. The question whether the foregoing provisions of this act shall take effect and be in force shall be submitted to the people of this state, in the manner provided by law for the submission of an amendment to the constitution, at the next general election to be held in November, 1904.

If approved by a majority of the votes cast upon that question, it shall go into effect and be in force from and after such ratification by the people; otherwise it shall not take effect or be in force. Upon the ballot shall be printed "Shall Chapter.....(insert on the ballot the number of chapter) of the laws of 1903, entitled, 'An act to provide for party nominations by direct vote' be adopted?"

Conflicting Laws Repealed.—Section 27. All acts or parts of acts inconsistent with or in conflict with the provisions of this act are hereby repealed.

When to Take Effect.—Section 28. This act shall take effect and be in force from and after its passage and publication subject to all provisions herein contained for its submission to the people for their ratification or rejection.

Approved May 23rd, 1903.
Published June 3, 1903.

WISCONSIN R. R. RATE COMMISSION LAW

AN ACT to regulate railroads and other common carriers in this state, create a board of railroad commissioners, fix their salaries, define their duties, prevent the imposition of unreasonable rates, prevent unjust discriminations, insure an adequate railway service, prescribe the mode of procedure and the rules of evidence in relation thereto, prescribe penalties for violations, and making an appropriation therefor.

The People of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

Commission, How Created; Qualifications, etc.—Section 1. A railroad commission is hereby created to be composed of three commissioners. Immediately after the passage of this act the governor shall, by and with the advice and consent of the senate, appoint such commissioners, but no commissioner so appointed shall be qualified to act until so confirmed. The term of one such appointee shall terminate on the first Monday in February, 1909; the term of the second such appointee shall terminate on the first Monday in February, 1911; and the term of the third such appointee shall terminate on the first Monday in February, 1913. In January, 1909, and biennially thereafter, there shall be appointed and confirmed, in the same manner, one commissioner for the term of six years from the first Monday in February of such year. Each commissioner so appointed shall hold his office until his successor is appointed and qualified. Any vacancy shall be filled by appointment by the governor for the unexpired term, subject to confirmation by the senate, but any such appointment shall be in full force until acted upon by the senate.

a. The said commissioners shall have the following qualifications: One shall have a general knowledge of railroad law; each of the others shall have a general understanding of matters relating to railroad transportation.

b. The governor may at any time remove any commissioner for inefficiency, neglect of duty or malfeasance in office. Before such removal he shall give such commissioner a copy of the charges against him and shall fix a time when he can be heard in his own defense, which shall not be less than ten days thereafter, and said hearing shall be open to the public. If he shall be removed the governor shall file in the office of the secretary of state a complete statement of all charges made against such commissioner and his findings thereon with the record of the proceedings.

c. No person so appointed shall be pecuniarily interested in any railroad in this state or elsewhere, and if any such commissioner shall voluntarily become so interested, his office shall ipso facto become vacant; and if he shall become so interested otherwise than voluntarily he shall within a reasonable time divest himself of such interest; failing so to do, his office shall become vacant.

d. No commissioner, nor the secretary, shall hold any other office or position of profit, or pursue any other business or vocation, or serve on or under any committee of any political party, but shall devote his entire time to the duties of his office.

e. Before entering upon the duties of his office, each of said commissioners shall take and subscribe the constitutional oath of office, and shall in addition thereto swear (or affirm) that he is not pecuniarily interested in any railroad in this state or elsewhere, and that he holds no other office of profit, nor any position under any political committee or party; which oath or affirmation shall be filed in the office of the secretary of state.

f. Each of said commissioners shall receive an annual salary of five thousand dollars, payable in the same manner as salaries of other state officers are paid.

g. The commissioners appointed under this act shall within twenty days after their appointment and confirmation meet at the state capitol and organize by electing one of their number chairman, who shall serve until the second Monday of February, 1907. On the second Monday of February in each odd numbered year the commissioners shall meet at the office of the commission and elect a chairman, who shall serve for two years and until his successor is elected. A majority of said commissioners shall constitute a quorum to transact business, and any vacancy shall not impair the right of the remaining commissioners to exercise all the powers of the commission.

h. Said commission may appoint a secretary at a salary of not more than twenty-five hundred dollars per annum, and may appoint not more than three clerks, two of whom shall receive an annual salary not exceed-

ing one thousand dollars each, and one of whom shall be an expert stenographer and receive an annual salary not exceeding fifteen hundred dollars, and may employ such other experts as may be necessary to perform any service it may require of them, and shall fix their compensation.

i. The secretary shall take and subscribe to an oath similar to that of the commissioners, and shall keep full and correct records of all transactions and proceedings of the commission, and shall perform such other duties as may be required by the commission. Any person ineligible to the office of commissioner shall be ineligible to the office of secretary.

j. The commissioners shall be known collectively as "Railroad Commission of Wisconsin," and in that name may sue and be sued. It shall have a seal with the words "Railroad Commission of Wisconsin," and such other design as the commission may prescribe engraved thereon, by which it shall authenticate its proceedings and of which the courts shall take judicial notice.

k. The commission shall keep its office at the capitol, and shall be provided by the superintendent of public property with suitable room or rooms, necessary office furniture, supplies, stationery, books, periodicals, maps, and all necessary expenses shall be audited and paid as other state expenses are audited and paid. The commission may hold sessions at any place other than the capitol when the convenience of the parties so requires. The commissioners, secretary and clerks, and such experts as may be employed, shall be entitled to receive from the state their actual necessary expenses while traveling on the business of the commission. Such expenditures to be sworn to by the person who incurred the expense and approved by the chairman of the commission.

l. The commission shall have power to adopt and puolish rules to govern its procedings and to regulate the mode and manner of all investigations and hearings of railroads and other parties before it, and all hearings shall be open to the public.

m. The commission may confer by correspondence, or by attending conventions, or otherwise, with the railroad commissioners of other states, and with the interstate commerce commission, on any matters relating to railroads.

The Term "Railroad" Defined.—Section 2. The term "railroad" as used herein shall mean and embrace all corporations, companies, individuals, associations of individuals, their lessees, trustees or receivers (appointed by any court whatsoever) that now, or may hereafter, own, operate, manage or control any railroad or part of a railroad as a common carrier in this state, or cars, or other equipment used thereon, or bridges, terminals, or side tracks, used in connection therewith, whether owned by such railroad or otherwise. The term "railroad" whenever used herein shall also mean and embrace express companies, and all duties required of and penalties imposed upon any railroad or any officer or agent thereof shall, in so far as the same are applicable, be required of and imposed upon express companies and their officers and agents, and the commission shall have the power of supervision and control of express companies to the same extent as railroads.

a. The provisions of this act shall apply to the transportation of passengers and property between points within this state, and to the receiving, switching, delivering, storing and handling of such property, and to all charges connected therewith, and shall apply to all railroad corporations, express companies, car companies, sleeping car companies, freight and freight line companies, and to all associations of persons, whether incorporated or otherwise, that shall do business as common carriers upon or over any line of railroad within this state, and to any common carrier engaged in the transportation of passengers and property wholly by rail or partly by rail and partly by water.

b. This act shall not apply to street and electric railroads engaged solely in the transportation of passengers within the limits of cities, nor to logging or other private railroads not doing business as common carriers.

Service, Rates, etc.—Section 3. Every railroad is hereby required to furnish reasonably adequate service and facilities, and the charges made for any service rendered or to be rendered in the transportation of passengers or property or for any service in connection therewith, or for the receiving, switching, delivering, storing or handling of such property, shall be reasonable and just, and every unjust and unreasonable charge for such service is prohibited and declared to be unlawful.

Schedules.—Section 4. Every railroad shall print in plain type and file with the commission within a time to be fixed by the commission, schedules which shall be open to public inspection, showing all rates, fares and charges for the transportation of passengers and property, and any service in connection therewith, which it has established and which are in force at the time between all points in this state upon its line, or any line controlled or operated by it, and the rates, fares and charges shown on the schedules which are to take effect prior to January 1, 1906, shall not exceed the rates, fares and charges shown on the schedules filed under the provisions of section 35 of this act. The schedules printed as aforesaid

shall plainly state the places upon its line or any line controlled or operated by it in this state between which passengers and property will be carried, and there shall be filed therewith the classification of freight in force. Every railroad shall publish with and as a part of such schedules all rules and regulation that in any manner affect the rates charged or to be charged for the transportation of possengers or property, also its charges for delay in loading or unloading cars, for track and car service or rental and for demurrage, switching, terminal or transfer service, or for rendering any other service in connection with the transportation of persons or property. Two copies of said schedules for the use of the public shall be filed and kept in file in every depot, station and office of such railroad where passengers or freight are received for transportation in such form and place as to be accessible to the public and can be conveniently inspected. When passengers or property are transported over connecting lines in this state operated by more than one railroad, and the several railroads operating such lines establish joint rates, fares and charges, a schedule of joint rates shall also in like manner be printed and filed with the commission and in every depot, station and office of such railroads where such passengers or property are received for transportation.

a. No change shall thereafter be made in any schedule, including schedule of joint rates, or in any classification, except upon ten days' notice to the commission, and all such changes shall be plainly indicated upon existing schedules, or by filing new schedules in lieu thereof ten days prior to the time the same are to take effect; provided, that the commission, upon application of any railroad, may prescribe a less time within which a reduction may be made. Copies of all new schedules shall be filed as hereinbefore provided in every depot, station and office of such railroad, ten days prior to the time the same are to take effect unless the commission shall prescribe a less time.

b. Whenever a change is made in any existing schedule, including schedule of joint rates, a notice shall be posted by the railroad in a conspicuous place in every depot, station and office, stating that changes have been made in the schedules on file, specifying the class or commodity affected and the date when the same will take effect.

c. It shall be unlawful for any railroad to charge, demand, collect or receive a greater or less compensation for the transportation of passengers or property or for any service in connection therewith than is specified in such printed schedules, including schedules of joint rates, as may at the time be in force, and the rates, fares and charges named therein shall be the lawful rates, fares and charges until the same are changed as herein provided.

d. The commission may prescribe such changes in the form in which the schedules are issued by the railroad as may be found expedient.

Joint Rates.—Section 5. Whenever passengers or property are transported over two or more connecting lines of railroad between points in this state, and the railroad companies have made joint rates for the transportation of the same, such rates and all charges in connection therewith shall be just and reasonable, and every unjust and unreasonable charge is prohibited and declared to be unlawful; provided, that a less charge by each of said railroads for its proportion of such joint rates than is made locally between the same points on their respective lines shall not for that reason be construed as a violation of the provisions of this act, nor render such railroads liable to any of the penalties hereof.

Commodity Rates.—Section 6. Nothing in this act shall be construed to prevent concentration, commodity, transit and other special contract rates, but all such rates shall be open to all shippers for a like kind of traffic under similar circumstances and conditions, and shall be subject to the provisions of this act as to the printing and filing of the same: Provided, all such rates shall be under the supervision and regulation of the commission.

Classification.—Section 7. There shall be but one classification of freight in the state which shall be uniform on all railroads.

Reduced Rates and Free Transportation.—Section 8. Nothing herein shall prevent the carriage, storage or handling of freight free or at reduced rates for the United States, the state, or any municipality thereof, or for charitable purposes, or to and from fairs and expositions for exhibition thereat, or household goods the property of railway employes; or the issuance of mileage, commutation or excursion passengers' tickets, provided that the same shall be obtainable by any person applying therefor without discrimination, or of party tickets, provided that the same shall be obtainable by all persons applying therefor under like circumstances and conditions. This act shall not be construed as preventing railroads from giving free transportation or reduced rates therefor to any minister of the gospel, officer or agents of incorporated colleges, regular agents of charitable societies, when traveling upon the business of the society only, destitute and homeless persons, railroad officer, attorney, director, employe or members of their families; or to prevent the exchange of passes with officers, attorneys or employes of other railroads and members of their families; provided,

that no person holding any public office or position under the laws of this state shall be given free transportation or reduced rates not open to the public.

a. Upon any shipment of live stock or other property of such nature as to require the care of an attendant, the railroad may furnish to the shipper or some person or persons designated by him, free transportation for such attendant, including return passage to the point at which the shipment originated; provided, there shall be no discrimination in reference thereto between such shippers, and the commission shall have power to prescribe regulations in relation thereto.

Depots.—Section 9. It shall be the duty of every railroad to provide and maintain adequate depots and depot buildings at its regular stations for the accommodation of passengers, and said depot buildings shall be kept clean, well lighted and warmed, for the comfort and accommodation of the traveling public. All railroads shall keep and maintain adequate and suitable freight depots, buildings, switches and side tracks for the receiving, handling and delivering of freight transported or to be transported by such railroads; provided, that this shall not be construed as repealing any existing law on the subject.

Distribution of Cars.—Section 10. Every railroad shall, when within its power so to do, and upon reasonable notice, furnish suitable cars to any and all persons who may apply therefor, for the transportation of any and all kinds of freight in car load lots. In case of insufficiency of cars at any time to meet all requirements, such cars as are available shall be distributed among the several applicants therefor in proportion to their respective immediate requirements without discrimination between shippers or competitive or non-competitive places; provided, preference may be given to shipments of live stock and perishable property.

a. The commission shall have power to enforce reasonable regulations for furnishing cars to shippers and switching the same, and for the loading and unloading thereof, and the weighing of cars and freight offered for shipment over any line of railroad.

Interchange of Traffic.—Section 11. All railroads shall afford all reasonable and proper facilities for the interchange of traffic between their respective lines, for forwarding and delivering passengers and property, and shall transfer and deliver without unreasonable delay or discrimination any freight or cars, loaded or empty, or any passengers destined to any point on its own or any connecting lines; provided, that precedence over other freight shall be given to live stock and perishable freight.

a. The commission shall have control over private tracks in so far as the same are used by comman carriers, in connection with any railroad for the transportation of freight, in all respects the same as though such tracks were a part of the track of said railroad.

Complaints and Investigations.—Section 12. Upon complaint of any person, firm, corporation or association, or of any mercantile, agricultural or manufacturing society, or of any body politic or municipal organization, that any of the rates, fares, charges or classifications, or any joint rate or rates are in any respect unreasonable or unjustly discriminatory, or that any regulation or practice whatsoever affecting the transportation of persons or property, or any service in connection therewith, are in any respect unreasonable or unjustly discriminatory, or that any service is inadequate, the commission may notify the railroad complained of that complaint has been made, and ten days after such notice has been given the commission may proceed to investigate the same as hereinafter provided. Before proceeding to make such investigation the commission shall give the railroad and the complainant ten days' notice of the time and place when and where such matters will be considered and determined, and said parties shall be entitled to be heard and shall have process to enforce the attendance of witnesses. If upon such investigation the rate or rates, fares, charges or classifications, or any joint rate or rates or any regulation, practice or service complained of shall be found to be unreasonable or unjustly discriminatory, or the service shall be found to be inadequate, the commission shall have power to fix and order substituted therefor such rate or rates, fares, charges or classification as it shall have determined to be just and reasonable and which shall be charged, imposed and followed in the future, and shall also have power to make such orders respecting such regulation, practice or service as it shall have determined to be reasonable and which shall be observed and followed in the future.

a. The commission may, when complaint is made of more than one rate or charge, order separate hearings thereon, and may consider and determine the several matters complained of separately, and at such times as it may prescribe. No complaint shall at any time be dismissed because of the absence of direct damage to the complainant.

b. Whenever the commission shall believe that any rate or charge may be unreasonable or unjustly discriminatory, and that an investigation relating thereto should be made, it may, upon its own motion, investigate the same. Before making such investigation it shall present to the railroad

a statement in writing setting forth the rate or charge to be investigated. Thereafter, on ten days' notice to the railroad of the time and place of such investigation, the commission may proceed to investigate such rate or charge in the same manner and make like orders in respect thereto as if such investigation had been made upon complaint.

c. This section shall be construed to permit any railroad to make complaint with like effect as though made by any person, firm, corporation or association. mercantile, agricultural or manufacturing society, body politic or municipal organization.

Witnesses. Depositions, etc.—Section 13. Each of the commissioners, for the purposes mentioned in this act, shall have power to administer oaths, certify to official acts, issue subpoenas, compel the attendance of witnesses, and the production of papers, way-bills, books, accounts, documents and testimony. In case of disobedience on the part of any person or persons to comply with any order of the commission or any commissioner or any subpoena, or on the refusal of any witness to testify to any matter regarding which he may be lawfully interrogated, it shall be the duty of the circuit court of any county, or the judge thereof, on application of a commissioner, to compel obedience by attachment proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from such court, or a refusal to testify therein.

a. Each witness who shall appear before the commission by its order shall receive for his attendance the fees and mileage now provided for witnesses in civil cases in courts of record, which shall be audited and paid by the state in the same manner as other expenses are audited and paid, upon the presentation of proper vouchres sworn to by such witnesses and approved by the chairman of the commission; provided, that no witness subpoenaed at the instance of parties other than the commission shall be entitled to compensation from the state for attendance or travel unless the commission shall certify that his testimony was material to the matter investigated.

b. The commission or any party may in any investigation cause the depositions of witnesses residing within or without the state to be taken in the manner prescribed by law for like depositions in civil actions in circuit courts.

c. A full and complete record shall be kept of all proceedings had before the commission on any investigation had under section 12 of this act, and all testimony shall be taken down by the stenographer appointed by the commission. Whenever any complaint is served upon the commission under the provisions of section 16 of this act the commission shall, before said action is reached for trial, cause a certified transcript of all proceedings had and testimony taken upon such investigation to be filed with the clerk of the circuit court of the county where the action is pending. A transcribed copy of the evidence and proceedings, or any specific part thereof, on any investigation, taken by the stenographer appointed by the commission, being certified by such stenographer to be a true and correct transcript in long hand of all the testimony on the investigation, or of a particular witness, or of other specific part thereof, carefully compared by him with his original notes, and to be a correct statement of the evidence and proceedings had on such investigation so purportng to be taken and transcribed, shall be received in evidence with the same effect as if such reporter were present and testified to the facts so certified. A copy of such transcript shall be furnished on demand, free of cost, to any party to such investigation.

Substitution and Enforcement of Rates.—Section 14. Whenever, upon an investigation made under the provisions of this act, the commission shall find any existing rate or rates, fares, charges or classifications, or any joint rate or rates, or any regulation or practice whatsoever affecting the transportation of persons or property, or any service in connection therewith, are unreasonable or unjustly discriminatory, or any service is inadequate, it shall determine and by order fix a reasonable rate, fare, charge, classification or joint rate to be imposed, observed and followed in the future in lieu of that found to be unreasonable or unjustly discriminatory, and it shall determine and by order fix a reasonable regulation, practice or service to be imposed, observed and followed in the future, in lieu of that found to be unreasonable or unjustly discriminatory, or inadequate, as the case may be, and it shall cause a certified copy of each such order to be delivered to an officer or station agent of the railroad affected thereby, which order shall of its own force take effect and become operative twenty days after the service thereof. All railroads to which the order applies shall make such changes in their schedule on file as may be necessary to make the same conform to said order, and no change shall thereafter be made by any railroad in any such rates, fares or charges, or in any joint rate or rates, without the approval of the commission. Certified copies of all other orders of the commission shall be delivered to the railroads affected thereby in like manner, and the same shall take effect within such times thereafter as the commission shall prescribe.

a. The commission may at any time, upon notice to the railroad, and after opportunity to be heard as provided in section 12, rescind, alter or amend any order fixing any rate or rates, fares, charges or classification, or any other order made by the commission, and certified copies of the same shall be served and take effect as herein provided for original orders.

b. Whenever the rate ordered substituted by the commission shall be a joint rate or charge, and the railroads party thereto shall fail to agree upon the apportionment thereof within twenty days after the service of such order, the commission may, after a like hearing, issue a supplemental order declaring the apportionment of such joint rate or charge and the same shall take effect of its own force as part of the original order.

Orders Reasonable.—Section 15. All rates, fares, charges, classifications and joint rates fixed by the commission shall be in force and shall be prima facie lawful, and all regulations, practices and service prescribed by the commission shall be in force and shall be prima facie reasonable, until finally found otherwise in an action brought for that purpose pursuant to the provisions of section 16 of this act.

Complaints and Actions Against Substituted Rates.—Section 16. Any railroad or other party in interest being dissatisfied with any order of the commission fixing any rate or rates, fares, charges, classifications, joint rate or rates, or any order fixing any regulations, practices or service, may commence an action in the circuit court against the commission as defendant to vacate and set aside any such order on the ground that the rate or rates, fares, charges, classifications, joint rate or rates, fixed in such order, is unlawful, or that any such regulation, practice or service, fixed in such order, is unreasonable, in which action the complaint shall be served with the summons. The commission shall serve and file its answer to said complaint within ten days after the service thereof, whereupon said action shall be at issue and stand ready for trial upon ten days' notice by either party. All actions brought under this section shall have precedence over any civil cause of a different nature pending in said court, and the circuit court shall always be deemed open for the trial thereof and the same same shall be tried and determined as other civil actions.

a. No injunction shall issue suspending or staying any order of the commission except upon application to the circuit court or presiding judge thereof, notice to the commission, and hearing.

b. If, upon the trial of such action, evidence shall be introduced by the plaintiff which is found by the court to be different from that offered upon the hearing before the commission, or additional thereto, the court before proceeding to render judgment, unless the parties to such action stipulate in writing to the contrary, shall transmit a copy of such evidence to the commission, and shall stay further proceedings in said action for fifteen days from the date of such transmission. Upon the receipt of such evidence the commission shall consider the same, and may alter, modify, amend or rescind its order relating to such rate or rates, fares, charges, classification, joint rate or rates, regulation, practice or service complained of in said action, and shall report its action thereon to said court within ten days from the receipt of such evidence.

c. If the commission shall rescind its order complained of, the action shall be dismissed; if it shall alter, modify or amend the same, such altered, modified or amended order shall take the place of the original order complained of, and judgment shall be rendered thereon, as though made by the commission in the first instance. If the original order shall not be rescinded or changed by the commission, judgment shall be rendered upon such original order.

d. Either party to said action, within sixty days after service of a copy of the order or judgment of the circuit court, may appeal to the supreme court. Where an appeal is taken the cause shall, on the return of the papers to the supreme court, be immediately placed on the state calendar of the then pending term, and shall be signed and brought to a hearing in the same manner as other causes on the state calendar.

e. In all trials under this section the burden of proof shall be upon the plaintiff to show by clear and satisfactory evidence that the order of the commission complained of is unlawful, or unreasonable, as the case may be.

Rules of Evidence and Practice.—Section 17. In all actions and proceedings in court arising under this act all processes shall be served, and the practice and rules of evidence shall be the same as in civil actions, except as otherwise herein provided. Every sheriff or other officer empowered to execute civil processes shall execute any process issued under the provisions of this act, and shall receive such compensation therefor as may be prescribed by law for similar services.

a. No person shall be excused from testifying or from producing books and papers in any proceedings based upon or growing out of any violation of the provisions of this act on the ground or for the reason that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to penalty or forfeiture, but no person having so testified shall be prosecuted or subjected to any penalty or for-

feiture for, or on account of, any transaction, matter or thing concerning which he may have testified or produced any documentary evidence; provided, that no person so testifying shall be exempted from prosecution or punishment for perjury in so testifying.

b. Upon application of any person the commission shall furnish certified copies, under the seal of the commission, of any order made by it, which shall be prima facie evidence of the facts stated therein.

Inquiry, etc., by Commission.—Section 18. The commission shall have authority to inquire into the management of the business of all railroads, and shall keep itself informed as to the manner and method in which the same is conducted, and shall have the right to obtain from any railroad all necessary information to enable the commission to perform the duties and carry out the objects for which it was created.

a. The commission shall cause to be prepared suitable blanks for the purposes designated in this act, which shall conform as nearly as practicable to the forms prescribed by the interstate commerce commission, and shall, when necessary, furnish such blanks to each railroad. Any railroad receiving from the commission any such blanks, shall cause the same to be properly filled out so as to answer fully and correctly each question therein propounded, and in case it is unable to answer any question it shall give a good and sufficient reason for such failure; and such answer shall be verified under oath by the proper officer of said railroad and returned to the commission at its office within the time fixed by the commission.

b. The commission or any commissioner, or any person or persons employed by the commission for that purpose, shall, upon demand, have the right to inspect the books and papers of any railroad and to examine under oath any officer, agent or employe of such railroad in relation to its business and affairs; provided, that any person other than one of said commissioners who shall make such demand shall produce his authority to make such inspection under the hand of the commissioner, or of the secretary, and under the seal of said commission.

c. The commission may require, by order or subpoena, to be served on any railroad, in the same manner that a summons is served in a civil action in the circuit court, the production within this state, at such time and place as it may designate, of any books, papers or accounts kept by said railroad in any office or place without the state of Wisconsin, or verified copies in lieu thereof, if the commission shall so order, in order that an examination thereof may be made by the commission or under its direction. Any railroad failing or refusing to comply with any such order or subpoena shall, for each day it shall so fail or refuse, forfeit and pay into the state treasury a sum of not less than one hundred dollars nor more than one thousand dollars.

Contracts, etc., Filed.—Section 19. Every railroad whenever required by the commission shall, within a time to be fixed by the commission, deliver to the commission for its use copies of all contracts which relate to the transportation of persons or property, or any service in connection therewith, made or entered into by it with any other railroad company, car company, equipment company, express or other transportation company, or any shipper or shippers, or other person or persons doing business with it.

a. Every railroad shall, on the first Monday in February in each year, and oftener if required by the commission, file with the commission a verified list of all railroad tickets, passes and mileage books issued free or for other than actual bona fide money consideration at full established rates during the preceding year, together with the names of the recipients thereof, the amounts received therefor and the reasons for issuing the same. This provision shall not apply to the sale of tickets at reduced rates open to the public, nor to tickets, passes or mileage books issued to persons not residents of this state, nor to tickets, passes or mileage books issued prior to the passage of this act.

Amounts Expended in Construction.—Section 20. The commission shall ascertain, as early as practicable, the amount of money expended in the construction and equipment of every railroad, the amount of money expended to procure the right of way, also the amount of money it would require to secure the right of way, reconstruct the roadbed, track, depots and other facilities for transportation, and to replace all the physical properties belonging to the railroad. It shall ascertain the outstanding bonds, debentures and indebtedness and the amounts respectively thereof, the date when issued, to whom issued, to whom sold, the price paid in cash, property or labor therefor, what disposition was made of the proceeds, by whom the indebtedness is held, so far as ascertainable, the amount purporting to be due thereon, the floating indebtedness of the railroad, the credits due the railroad, other property on hand belonging to it, the judicial or other sales of said road, its property or franchises, and the amounts purporting to have been paid and in what manner paid therefor. The commission shall also ascertain the gross and net income of the railroad from all sources in detail; the amounts paid for salaries to the officers of the

road, and the wages paid to its employes and the maxmum hours of continuous service required of each class. Whenever the information required by this section is obtained, it shall be printed in the annual report of the commission. In making such investigation the commission may avail itself of any information in possession of the state board of assessments.

Interstate Rates.—Section 21. The commission shall have power, and it is hereby made its duty, to investigate all freight rates on interstate traffic on railroads in this state, and when the same are, in the opinion of the commission, excessive or discriminatory or are levied or laid in violation of the interstate commerce law, or in conflict with the rulings, orders or regulations of the interstate commerce commission, the commission shall present the facts to the railroad, with a request to make such changes as the commission may advise, and if such changes are not made within a reasonable time the commission shall apply by petition to the interstate commerce commission for relief. All freight tariffs issued by any such railroad relating to interstate traffic in this state shall be filed in the office of the commission within thirty days after the passage and publication of this act, and all such tariffs thereafter issued shall be filed with the commission when issued.

Discrimination Prohibited.—Section 22. If any railroad, or any agent or officer thereof, shall directly or indirectly, by any special rate, rebate, drawback, or by means of false billing, false classification, false weighing, or by any other device whatsoever, charge, demand, collect or receive from any person, firm or corporation a greater or less compensation for any service rendered or to be rendered by it for the transportation of persons or property or for any service in connection therewith, than that prescribed in the published tariffs then in force, or established as provided herein, or than it charges, demands, collects or receives from any other person, firm or corporation for a like and contemporaneous service, such railroad shall be deemed guilty of unjust discrimination, which is hereby prohibited and declared to be unlawful, and upon conviction thereof shall forfeit and pay into the state treasury not less than one hundred dollars nor more than ten thousand dollars for each offense; and any agent or officer so offending shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than fifty dollars nor more than one hundred dollars for each offense.

a. It shall be unlawful for any railroad to demand, charge, collect or receive from any person, firm or corporation a less compensation for the transportation of property or for any service rendered or to be rendered by said railroad, in consideration of said person, firm or corporation furnishing any part of the facilities incident thereto; provided, nothing herein shall be construed as prohibiting any railroad from renting any facilities incident to transportation and paying a reasonable rental therefor.

Preference Prohibited.—Section 23. If any railroad shall make or give any undue or unreasonable preference or advantage to any particular person, firm or corporation, or shall subject any particular person, firm or corporation to any undue or unreasonable prejudice or disadvantage in any respect whatsoever, such railroad shall be deemed guilty of unjust discrimination, which is hereby prohibited and declared unlawful.

Unlawful to Accept Rebates.—Section 24. It shall be unlawful for any person, firm or corporation knowingly to accept or receive any rebate, concession or discrimination in respect to transportation of any property wholly within this state, or for any service in connection therewith, whereby any such property shall, by any device whatsoever, be transported at a less rate than that named in the published tariffs in force as provided herein, or whereby any service or advantage is received other than is therein specified. Any person, firm or corporation violating the provisions of this section shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine of not less than fifty dollars nor more than one thousand dollars for each offense.

Treble Damages.—Section 25. If any railroad shall do or cause to be done or permit to be done any matter, act or thing in this act prohibited or declared to be unlawful, or shall omit to do any act, matter or thing required to be done by it, such railroad shall be liable to the person, firm or corporation injured thereby in treble the amount of damages sustained in consequence of such violation; provided, that any recovery as in this section provided shall in no manner affect a recovery by the state of the penalty prescribed for suuch violation.

Penalty for Violations by Officers, Agents or Employes.—Section 26. Any officer, agent or employe of any railroad who shall fail or wilfully refuse to fill out and return any blanks as required by this act, or shall fail or refuse to answer any questions therein propounded, or shall knowingly or wilfully give a false answer to any such question, or shall evade the answer to any such question, where the fact inquired of is within his knowledge, or who shall, upon proper demand, fail or wilfully refuse to exhibit to the commission or any commissioner, or any person authorized to examine the same, any book, paper or account of

such railroad, which is in his possession or under his control, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than one hundred dollars nor more than one thousand dollars for each such offense; and a penalty of not less than five hundred dollars nor more than one thousand dollars shall be recovered from the railroad for each such offense when such officer, agent or employe acted in obedience to the direction, instruction or request of such railroad or any general officer thereof.

General Penalty for Violations by Railroads.—Section 27. If any railroad shall violate any provision of this act, or shall do any act herein prohibited, or shall fail or refuse to perform any duty enjoined upon it, for which a penalty has not been provided, or shall fail, neglect or refuse to obey any lawful requirement or order made by the commission, or any judgment or decree made by any court upon its application, for every such violation, failure or refusal, such railroad shall forfeit and pay into the state treasury a sum of not less than one hundred dollars nor more than ten thousand dollars for each offense. In construing and enforcing the provisions of this section, the act, omission or failure of any officer, agent or other person acting for or employed by any railroad, acting within the scope of his employment, shall in every case be deemed to be the act, omission or failure of such railroad.

Emergency Rates.—Section 28. The commission shall have power, when deemed by it necessary to prevent injury to the business or interests of the people or railroads of this state in consequence of interstate rate wars, or in case of any other emergency to be judged of by the commission, to temporarily alter, amend, or, with the consent of the railroad company concerned, suspend any existing passenger rates, freight rates, schedules and orders on any railroad or part of railroad in this state. Such rates so made by the commission shall apply on one or more of the railroads in this state or any portion thereof as may be directed by the commission, and shall take effect at such time and remain in force for such length of time as may be prescribed by the commission.

Rates Not Specifically Designated.—Section 29. Whenever, after hearing and investigation as provided by this act, the commission shall find that any charge, regulation or practice affecting the transportation of passengers or property, or any service in connection therewith, not hereinbefore specifically designated, is unreasonable or unjustly discriminatory, it shall have the power to regulate the same as provided in sections 12 and 14 of this act.

Accidents.—Section 30. Every railroad shall, whenever an accident attended with loss of human life occurs within this state, upon its line of road or on its depot grounds or yards, give immediate notice thereof to the commission. In the event of any such accident, the commission, if it deem the public interest requires it, shall cause an investigation to be made forthwith, which investigation shall be held in the locality of the accident, unless, for greater convenience of those concerned, it shall order such investigation to be held at some other place, and said investigation may be adjourned from place to place as may be found necessary and convenient. The commission shall seasonably notify an officer or station agent of the company of the time and place of the investigation. The cost of such investigation shall be certified by the chairman of the commission, and the same shall be audited and paid by the state in the same manner as other expenses are audited and paid.

Inquiry Into Violations.—Section 31. The commission shall inquire into any neglect or violation of the laws of this state by any railroad corporation doing business therein, or by the officers, agents or employes thereof, or by any person operating a railroad, and shall have the power, and it shall be its duty, to enforce the provisions of this act as well as all other laws relating to railroads and report all violations thereof to the attorney general; upon request of the commission it shall be the duty of the attorney general or the district attorney of the proper county, to aid in any investigation, hearing or trial had under the provisions of this act, and to institute and prosecute all necessary actions or proceedings for the enforcement of this act and of all other laws of this state relating to railroads and for the punishment of all violations thereof. Any forfeiture or penalty herein provided shall be recovered and suit thereon shall be brought in the name of the state of Wisconsin in the circuit court for Dane county. The commission shall have authority to employ counsel in any proceeding, investigation, hearing or trial.

Investigations of Claims.—Section 32. All claims against any railroad for loss of or damage to property from any cause, or for overcharge upon any shipments, or for any other service, if not acted upon within ninety days from the date of the filing of such claim with the railroad, may be investigated by the commission, in its discretion, and the results of such investigation shall be embodied in a special report which shall be open to public inspection and may be included in the next annual report of the commission.

Technicality Not to Invalidate.—Section 33. A substantial compliance with the requirements of this act shall be sufficient to give effect to all the rules, orders, acts and regulations of the commission, and they shall not be declared inoperative, illegal or void for any omission of a technical nature in respect thereto.

Rights of Action Not Waived.—Section 34. This act shall not have the effect to release or waive any right of action by the state or by any person for any right, penalty or forfeiture which may have arisen or which may hereafter arise under any law of this state; and all penalties and forfeitures accruing under this act shall be cumulative and a suit for, and recovery of one, shall not be a bar to the recovery of any other penalty.

Present Schedule in Force.—Section 35. Until December 31st, 1905, unless the commission shall otherwise order, after application and hearing as hereinafter provided, it shall be unlawful for any railroad within this state to demand, collect, or receive a greater compensation for the transportation of property between points in this state than the charge fixed in the lowest published schedule of rates for the same service between the same points, in force on the 1st day of April, 1905. Every railroad in this state shall, within thirty days after the passage and publication of this act, file in the office of the commission copies of all schedules of rates, including joint rates in force on its line or lines, between points within this state, on the 1st day of April, 1905, and all rates in force between such points at any time subsequent to said date. Any railroad desiring to advance or discontinue any such rate or rates may make application to the commission in writing, stating the advance in or discontinuation of the rate or rates desired, giving the reasons for such advance or discontinuation. Upon receiving such application, the commission shall fix a time and place for hearing, and give such notice to interested parties as it shall deem proper and reasonable. If, after such hearing and investigation, the commission shall find that the change or discontinuation applied for is reasonable, fair and just, it shall grant the application either in whole or in part. Any railroad being dissatisfied with any order of the commission made under the provisions of this section may commence an action against it in the circuit court in the manner provided in section 16 of this act, which action shall be tried and determined in the same manner as is provided in said section.

Office of Railroad Commissioner Abolished.—Section 36. All powers, duties and privileges imposed and conferred upon the railroad commissioner of this state under existing laws are hereby imposed and conferred upon the commission created under the provisions of this act; provided, that the power and duties conferred and imposed upon the railroad commissioner by chapter 431 of the laws of 1903, and sections 1795a, 1796 and 1797 of the statutes of 1898 shall continue to be exercised by him until the first Monday in January, 1907. The present railroad commissioner, whose term commenced on the first Monday in January, 1905, shall continue in office until the first Monday in January, 1907, at his present salary, on which date the office is hereby abolished.

Inconsistent Laws Repealed.—Section 37. So much of section 128 of the statutes of 1898 as provides for the election of a railroad commissioner, also sections 1793 and 1803 of said statutes, and all other acts and parts of acts conflicting with the provisions of this act are hereby repealed in so far as they are inconsistent herewith.

Appropriation.—Section 38. A sum sufficient to carry out the provisions of this act is hereby appropriated out of any money in the state treasury not otherwise appropriated.

Section 39. This act shall take effect and be in force from and after its passage and publication.

Approved June 13, 1905.

Published June 15, 1905.